



STEVE BIKO HOUSING ASSOCIATION

2018/2019 ANNUAL REPORT



Dr Mandela and Tukwini Mandela Visit February 2019

Registered with Regulator for Social Housing No L3711

Registered as a Social Provider Registered Society with the Financial Conduct Authority 24187R

Registered Office: 19 Devonshire Road Liverpool L8 3TX

**Member of the National Housing Federation
Member of BME National**

Chairs Report



It is with great pleasure that I present my first annual report to the tenants and stakeholders of Steve Biko Housing Association following my appointment as chair of the organisation in November 2018.

As reported last year we took the bold action of procuring our repairs and maintenance service in 2016 to be delivered by one single contractor and also tendered out the management of our repairs service, this was in response to feedback from our tenants. In late 2018 we carried out an independent evaluation of both services, as well as testing what our tenants thought via a tenant's survey. In considering the evaluation and our tenants survey the Board decided to bring back in house one of these services, which was the management of the repairs service.

I am delighted to announce that Michael Bernard has recently joined the SBHA staff team as our Repairs Specialist Officer. Michael's role is to manage the repairs contract, carry out surveys and ensure that our repairs service is delivered in a timely and effective manner. I am sure the action that we have taken will improve our performance in this very important area of our work and will also provide a familiar point of contact for tenants.

During the year SBHA was once again recognised for our important work in respect of community cohesion and empowerment. We were awarded "the Most Inspiring Awareness Campaign" for our work on gun and knife crime, working within our community to raise awareness of the issues and to show an alternative much brighter future for our young people. This is one of the many community initiatives that SBHA continues to be involved in.

In February SBHA were honored to be asked by the Mandela8

Charity to host a visit from to our sheltered scheme at Hector Peterson Court by Dr Makaziew Mandela (Nelson Mandela's daughter) and Tukwini Mandela (Nelson Mandela's granddaughter)

Dr Mandela and Tukwini Mandela were delighted to meet and engage with our tenants, take a walk around the gardens at Hector Peterson Court and listen to two of our tenants as they performed a Poem for them that they had written called "Our Liverpool". Those of you who were present during this event I'm sure will agree that it was a fantastic and memorable day.

As we enter our 32nd year of being an independent BME housing association it is important that in these uncertain political times that we all currently face SBHA is well run and in a position to withstand any impacts that the changing political climate brings. I am therefore, pleased to state that as an organisation we continue to look at our governance and compliance with a view to understanding the climate that we currently operate in and strive to strengthen the Board with the necessary skills and experience to enable us to ensure that SBHA continues to be a well-run and well managed organisation delivering excellent services to our tenants.

To that end, I would like to thank my fellow Board members for both their support and continued commitment to the organisation and to the staff for all of their hard work who continue to go above and beyond to ensure a successful future for SBHA.

Robbie
Williams Chair.
September 2019.

Welcome

Welcome to our annual report, the report provides information on the year April 2018 to March 2019.

Getting Involved



We believe the best way for our tenants to make sure that we deliver services that you want is to provide tenants with opportunities to have their say and get involved.

To enable this to happen we have a dedicated tenant engagement and community regeneration service. Beverley Williams, Our Community Regeneration Manager is responsible for organising bi-monthly meetings for all tenants to have the opportunity to meet with staff to discuss issues and share information. Outside speakers are also invited to provide information, during the past year we have had talks from Merseyside Fire Service about Fire Safety in the home, Liverpool City Council Recycling Team, Citizen Advice re Social Prescribing, as well as hosting poetry workshops for our tenants to produce a Poem Our Liverpool.

We continue to support our tenants to engage with SBHA and other agencies by providing training and enabling them to participate in tenant seminars and conferences, such as TPAS regional meetings and the Community Based Housing Association annual tenant conference

We hold regular coffee mornings, and have a Tenant Improvement Group in place. The Staff team also conduct regular 'walk about' that enables us to talk face to face with tenants about issues affecting them, such as repairs service, anti-social, fly tipping, and street lighting.

Our tenant's community grant giving panel, awards small grants at an average of £300.00 per organisation. The financial year 2018/19, grants were awarded MDI for a young person's dance project, Lodge Lane bulb planting Scheme, LGBTQ Young Persons on line project, Team Oasis Children's club for volunteer support, Golden Gloves Boxing Club for equipment, writing on the Wall for publication of local residents written word.

Partnership working is a something that we believe helps to deliver stronger outcomes for our communities. This year we have continued to promote the message of anti-hate crime and to promote inclusion. We have taken an active lead in campaigning with our community to stop gun and knife crime following the fatal shooting of Yusuf Sonko and continue to work with many community and voluntary organisations such as Unity Youth Club, Liverpool City Council Youth Service, Pakistan Multi-Cultural Association and the Afro-Caribbean and Friends Lunch Club to provide a range of diversity and health and wellbeing events.

We are always proud of is our annual Young Achiever Awards. Now in our 7th year, the annual achiever awards recognise the positive achievements of our young people. This is a really important project as we know that it is critical for our young people to have positive role models, and for the younger generation to see that young black and ethnic minority can achieve great things with hard work and determination.



The Board

Our Board is responsible for the effective governance and management of the Associations affairs. This includes:

- Agreeing the Association's strategic direction;
- Approving our policies
- Protecting the Associations funds and assets and
- Making sure that we operate in accordance with the law and regulatory requirements

Prav Walker resigned in September 2018. The Board gave thanks to Prav for all of her hard work and commitment to Steve Biko Housing Association.

Customer Service

The Association directly employs our Director, Tracey Gore, Ustar Miah Housing and Neighbourhood Services Manager, Beverley Williams, Community Regeneration Manager, Mohamoud Hassan Housing & Neighbourhood Services Officer, Beverley Betteridge Office Manager, Shelique Braithwaite reception/admin officer and Cleaner Sue Holden. We have also welcomed Mike Bernard who took up his position as Repairs Specialist in June 2019 following the ending of our contract with South Liverpool Homes.

We continue to contract North West Housing Services (NWHS) to deliver our financial services and hold regular review meetings to monitor and manage financial performance, with a view to ensuring the association is well managed, financial viable and ensuring value for money.

NWHS is a customer-owned and controlled organisation operating in accordance with democratic co-operative principles, the Association is a shareholding member of NWHS.

NWHS provide regular reports on financial performance to the Association's Director and to the Board.

Customer Satisfaction

Our results have shown improvements of service from the last time we conducted our STAR survey for example:

Satisfaction	2011	2015	2018
Tenant Satisfaction with overall service	81%	86%	75%
Tenant satisfaction with quality of home	81%	84%	85%
Satisfaction that rent provides value for money	78%	84%	81%
Tenant Satisfaction with repairs service	71%	78%	74%

In 2016 we carried out a mini survey conducted by LHT on our behalf. We surveyed tenants on our repairs and customer service. The survey results were reported to board and the outcomes were taken into consideration when reviewing our repairs and maintenance service.

Planned Maintenance



In order to ensure that the Association received value for money in respect of our planned maintenance programme. SBHA tendered for all of our planned maintenance works. Following a recent tender exercise for replacement windows and kitchens. Housing Maintenance Solutions were successful in providing us with a competitive tender. We are pleased to report that the planned maintenance works to

replace

windows in the Lodge Lane area has now been completed with the remaining properties in Maitland Close and Dove Street. Our planned maintenance programme will focus on replacement windows on all of our properties over the next 3 years with the North Hill Street area window replacement commencing during the financial year 2019/20.

We have also undertaken a stock condition survey recently with the final report being made available mid-September 2019. That information will be used to review and update our planned maintenance.

Complaints

While we try to provide the best possible services, things do sometimes go wrong. When this happens, we try to resolve problems informally, but, where this is not possible, tenants can use our formal complaints policy. We have been actively encouraging our tenants to use the complaints process as we feel that we learn a lot from complaints and use these to improve our service. The outcomes of complaints are recorded and reported to the Board who use this information to improve our policies.

We received 9 formal complaints in the year April 2018 to March 2019.

Responding to Tenants Needs

We recognise that tenants will have different needs because of factors such as age, language or ability and we try hard to meet those needs, for example by providing adaptations for people with mobility problems and liaising with support services when tenants need help.

In order to ensure that we can respond to tenants needs we continually update the information that we hold about our tenants and their households. Our staff continually update information that we hold on tenants, and complete tenant's audits. If you have not completed a tenant's audit form in the past 12 months, please

contact Beverley Williams or Beverley Betteridge on 0151 734 4933 or call in to the office and an appointment can be made to ensure that your information is up to-date. We will also confirm your telephone and email details whenever you make contact with our office.

Providing Decent Homes

This table shows the number and size of properties that we own as at 31 March 2019

NUMBER OF BEDROOMS	NUMBER OF UNITS
1	117
2	57
3	69
4	23
6	10
TOTAL	276

The Association also has 2 Leaseholders and 2 Shared ownership properties.

We have a planned maintenance programme and currently spend £150k plus fees per year. We will continue to replace windows for the remaining properties over the next 3 years the updated stock condition survey will determine the remainder of the programme.

Our Repairs Service



We try to adopt a prudent and planned approach to our repair service. Each year, the Board agrees a maintenance budget which sets aside funds for day to day repairs, cyclical decoration and planned programmes of work. The Board and senior management team receive regular reports to show progress against the budget.

Repairs are completed by our HMS contractors. Routine repairs are placed into one of two categories: emergency and routine. Each of these categories has a target response time. As a result of listening to what our tenants say to us we reduced our routine repairs response time from 28 days to 21 days from April 2015. The table below shows performance in completing repairs for the year 2018-19.

Category	Response Time	Number of repairs	% completed on time
Emergency	24 hours	252	100%
Routine	21 days	1018	99.7%

As a result of a comprehensive review of our repairs and maintenance service, we have appointed HMS to deliver a single contractor service from April 2017. We have moved to an appointment based service, with tenants agreeing an appointment date and time at the point of reporting a repair. The average end to end time for all reactive repairs to be completed stand at 9 days.

We also have a responsibility to ensure that all gas appliance provided by the Association in our properties are serviced and given an annual safety check. At the end of March 2019, 100% of our properties had a current safety certificate. We take gas safety very seriously and encourage all tenants to provide access for our contractors. Where we are unable to gain access and receive no co-operation from tenants then we take legal action to enable us to carry out the work.

The cost of legal action is money that would be best spent on our properties. If our tenants fail to contact us to arrange their gas safety checks and legal action is required, the costs associated with legal action are recovered from the tenant. Please do not ignore cards and letters when we inform you that we are coming out to do the gas safety check. These checks save lives.



Allocations and Lettings

We play a small but significant role in meeting housing need in Liverpool. We operate our own lettings policy which allows us to help people in housing need.

We let 32 properties in the year April 2018 – March 2019.

We also aim to minimise rent losses and make the best use of our housing stock by turning vacant properties round quickly. The table below provides information on vacant properties.

Empty Properties at 31 March 2019	2
Average time to relet in 2018/19	17 days
Rent loss in 2017/18 due to empty properties	1.2%

Rents

The Regulator for Social Housing standard required the Association to comply with the Governments guidance on rents. This set out a formula for calculating rents based on average earnings, property valuations and property size.

Each year our managing agent NWHS would normally prepare a rent plan showing how our rents compare to those recommended by Government guidance and the Board makes a decision on any increase to be implemented.

The Government announced in its summer budget 2015 that all social registered providers will have to cut its rent by 1% year on year for the next four years. The Association amended its business plan and has planned for efficiencies in the forthcoming coming years to accommodate this reduction in income.

The table below shows average rent levels for our different properties taking into account the reduction in rent.

Number of Bedrooms	Average Fair Rent	Average Assured Rent
1	N/A	£74.51
2	N/A	£82.14
3	£87.48	£91.02
4	N/A	£101.64
6	N/A	£125.43

Where tenants pay service charges in addition to their rent, these will relate to the actual cost of providing those services with any surpluses or deficits carried forward into the next financial year.

Controlling arrears remains one of the Association's top priorities and the Board receives regular reports on progress. Performance in the past year is detailed below:

	At 31 March 2017	At 31 March 2018	At 31 March 2019
Arrears due to outstanding Housing Benefit	£4,035	£5,076	£ 4,415
Tenant arrears	£27,817	£24,547	£30,772.29
Total	£23,782	£19,471	£26,357

Tenancy Management

Steve Biko HA takes its obligations as a landlord very seriously and respects tenant's rights. In return, we expect tenants to comply with the conditions set out in their tenancy agreements.

Where breaches of tenancy conditions occur, we work with tenants to try to resolve problems and use possession proceedings and evictions as a last resort. We also liaise with any agencies offering support to tenants and direct people to appropriate advice agencies where this might help.

Our work in the Neighbourhood

As a locally based organisation, we are ideally placed to make a positive contribution to our neighbourhood. We actively participate in the City's regeneration and neighbourhood structures and work with many community organisations, with the intent of making the neighbourhoods where our tenants live a better place; for example, we actively participate in the Princes Park multi-agency Problem Solving Group and the L8 Housing Collaborative Group and on an annual basis participate in the Love Lodge Lane Event. This year June 2019 we also delivered a Community Windrush event at Falkner Square park L8. Other Windrush projects contributing to the planning and participation on the day included Writing on the Wall Project and Blackburne House. The day was attended by over 200 people and included entertainment, information & craft stalls, lots of activities for the children, keynote speakers and entertainment.

We helped facilitate community awareness events and following the fatal shooting of a young local man Yusuf Sonko in 2017 and coordinated a community walk for action against guns and knife crime.

We have worked closely with Liverpool City Council and youth organisations in working proactively with young people to engage them in activities that work towards developing a positive future for themselves.

We continue to hold “area walkabouts”, where staff will walk around our neighbourhoods and invite tenants to join us and to talk to us about any issues that are of concern. Staff take this opportunity to knock on doors to speak to our tenants too.

Our work on diversity continues to be recognised we were shortlisted and won an award for our work in diversity and inclusion for the most inspiring awareness campaign in July 2019.

Providing Value for Money

As a small BME Housing Association achieving Value for Money has been central to the way we work. The Board and staff team believe that being efficient and effective is crucial to our success in delivering quality services to our tenants. We are committed to ensuring that we are making the best use of our resources and that our business planning and performance monitoring systems and efficiency mind set aid us in our desire for continuous improvement and to ensure we maximise the efficiency and quality of our services and asset base.

In April 2017 we appointed Housing Maintenance Solutions (HMS) as our main contractor for repairs and maintenance and estate management services. In August 2017 we appointed (SLH) to act as our Repairs & Maintenance Managing Agent, to provide contract management and consultancy services to ensure delivery of the HMS Contract. Our contract with SLH came to an end in June 2019 by mutual consent, with the decision taken to bring the management of our repairs service in house. The Association appointed Mike Bernard as our new in house Repairs Specialist. We are certain that by bringing this service in house, we will improve our customer service experience, allowing for better communication between ourselves the tenant and our contractor.

Moving to using one contractor HMS has enabled us to improve our systems, and recording information, including moving to a fully computerised gas servicing system and our routine repairs target of 21 days being met under 10 days.

We are still benefiting from renegotiated utility costs fixed in 2016 with new fixed costs negotiated in June 2019 which will avoid future price increases over the short to medium term. We completed the purchase our office 3 Yanwath Street, reducing revenue costs, these actions led to annual savings of £42k over the life of the business plan from our original base position 2016.

We also set out to build on our youth employability programme to develop and deliver employment and training programme for our customers to enable them to improve their skills and capacity therefore, increasing their employability. We have not been able to secure external funding for this during the year. We will continue to seek funding and will also partnered with other organisations so that our tenants and wider community are able to access available opportunities.

We have:

- Invested £151k into our properties by delivering the third year on our five-year planned window replacement programme

- Converted two very small hard to let flats into one desirable flat
- Completed a two years of the new repairs and maintenance service delivered by HMS, the savings in repair and maintenance costs compared to the previous contractors enabled SBHA to undertake additional 20% repair works compared to our previous arrangement.
- Appointed RAND Associates who completed an evaluation of HMS and SLH services. The Board is satisfied that it has received value for money from the repairs and maintenance contract.
- Commenced year 3 of a 5-year electrical test programme for all properties □
Completed the purchase price of Office 3 Yanwath Street Liverpool 8

Value for Money

In April 2018 the Regulator for Social Housing launched a new Value for Money Standard, which includes a set of metrics. Registered Providers are now required to report their performance against the metrics annually in their financial statements.

Our performance against these new metrics is highlighted in the table below:

Business Health & Efficiency & Regulator for Social Housing Metrics

Performance	Indicator	Metrics No	SBHA GN / Support 2016/17	SBHA GN / Support 2017/18	SBHA GN / Support 2018/19	NW Peer Group Median 2018/19	SBHA GN / Support Forecast 2019/20
No. of Units			267	266	275		275
Business Health	Total Operating Margin	6	15.60%	16.20%	13.96%	27.25%	13.58%
	Social Housing Operating Margin	6	15.47%	15.36%	13.35%	27.06%	12.83%
	EBITDA MRI (as a % of interest)	4	126.40%	99.38%	27.70%	299%	-84.00%
	Gearing	3	18.96%	21.03%	22.49%	10.9%	21.73%
<i>Efficiency</i>							
<i>Efficiency</i>	Reinvestment % investment in properties (existing stock and new supply as % of the value of total properties.	1	1.24%	3.34%	5.06%	2.3%	3.45%
Operating efficiencies	Headline Social housing costs per unit.	5	£4,105	£4,235	£4,691	£3,525	£5,328
	Rent Collected as % of rent owed (excluding arrears b/f)		100.70%	100.10%	99.7%	99.8%	100.00%
<i>Efficiency</i>	Overheads as a % of adjusted turnover		11.86%	11.99%	11.81%	14.9%	11.86%
Effective Asset Management	Return on Capital employed % compares the overall operating surplus to total assets less current liabilities	7	1.60%	1.63%	1.45%	3.15%	1.37%

<i>Efficiency</i>	General Needs Occupancy		98.49%	98.74%	98.84%	99.62%	98.25%
	Ratio of responsive repairs to planned spend		0.69	0.70	0.79	0.60 (2018)	0.83
Development Capacity & Supply	Units Developed		0	0	9	0	0
<i>Effectiveness</i>	Units Developed as a % of units owned	2	0	0	3.27%	0.04	0
Outcomes Delivered	Customers satisfied their rent provides value for money *2011 survey results *2015 survey results		84%*	86%**	81%	95.8%	86%
	£ invested for every £ generated in new housing units		£0.00	£1.07	£36.31	0	£0
	£ invested for every £ generated in communities		£0.013	£0.027	£0.0168	0	£0.0128
Lettings	SBHA lettings		16	18	32		20
Local Targets	BME Lettings Target set at 45% based on demographics of area.		81.1%	61.1%	84.4%	12.7%	80%

□ SBHA has had a reduction in operating margin in 2018/19 this is largely due higher management costs due to a number of factors including; increase in legal fees due to the operating environment in which we operate, increase in professional fees to enable us to enhance our offer to tenants in respect of our repairs and maintenance service, an increase in expenditure for our planned maintenance works and a small increase in bad debt provision that reflects the challenging environment that our tenants are experience due to welfare reform. □ The increase in Social housing costs per unit in both 18/19 and forecast for 19/20, is largely attributable to investment in fire protection works, that SBHA is undertaking across our blocks of flats and older person's accommodation. The NW benchmarking peer group includes:

PROVIDER	No. Units	PROVIDER	No. Units
Alpha Homes HA	882	Forum HA	259
Arawak Walton HA	1058	People First HA	275
Arcon HA	1195	Prestwich & NW HA	188
Ashton Pioneer HA	910	Steve Biko HA	275
Crosby Homes HA	430	Warrington HA	1,289
Eldonians Community Based HA	394	Wirral Methodist HA	853
Family HA	383		

Business health

The Associations operating margin currently stands at 13.96%. SBHA has 276 units. Our Business Plan shows a period of growth at 7 units per year to enable us to gain critical mass to reduce our costs per unit.

Operating Efficiencies

The Associations headline social housing costs per unit are currently at £4,691 per unit. The Association provides an intensive housing management service delivering services in very challenging neighbourhoods. Our size exacerbates the high cost per unit. The Associations growth strategy together with efficiencies will see a reduction in our headline social housing costs per unit.

One of the results of our intensive housing management service is achieving circa 100% rent collection rates at a time when welfare reform is having a major impact upon our tenants and the communities in which we work. Princes Park Ward where the majority of our homes are situated has 23% of its wards within the 1% most deprived of the country; 69% of Ward in 10% most deprived wards nationally.

Effective Asset Management

Return on capital employed is currently low, we anticipate that this figure will increase as the associations growth strategy of developing 7 units per year is realised.

Occupancy levels at Steve Biko Housing Association achieved 98% occupancy rates which is very high levels of occupancy, reflecting our intensive and housing management service.

Ratio of responsive repairs expenditure to planned spend is 0.79% which is comparable to our NW housing association peers.

Development Capacity & Supply

Whilst we have not completed any 'new supply' developments, SBHA has acquired and completed the significant refurbishment of two large villas, 9 units. We anticipate a start on site of a third acquired villa during the end of this financial year resulting in a further 6 units being completed during 2020.

All 3 villas are a result of stock transfer, and had been vacant for many years. We therefore have brought these properties back in to use, helped with solving blight in a neighbourhood and kept 15 units in the social housing sector whilst meeting our own growth strategy.

Our gearing levels have increased from 21% to 22.49%. This reflects the use of our existing resources to fund the refurbishment of empty properties as they have become available.

Outcomes Delivered

Our last full STAR Survey was undertaken in 2018. Customer Satisfaction by tenants that their rent provided value for money was at 81%

We currently spend 0.16p in each £ on tenant participation and community regeneration activities this expenditure enables the association to deliver against its vision and mission.

SBHA has a target of achieving 45% of our lettings to BME people. This target is set to reflect the 45% BME population in Princes Park and Picton wards, the main wards in which we operate.

Benchmarking

SBHA is part of the Acuity NW Benchmarking Group that oversees the collection of data. This report uses the data taken from NW Acuity Benchmarking Group.



Diversity.

We will continue to promote the experiences of BME Communities at local, regional and national levels, we are currently able to do this by playing an active part at a local level in Liverpool's City Region Strategic Housing Partnership, LCR Operations Group, LCR Equalities in Housing Group, City Safe Partnership Board, L8 Disarm Group, National Housing Federation North West Regional Chief Executives Forum, BME National and Liverpool's Strategic Panel on Community Cohesion and LCR Fairness and Social Justice Advisory Board.

Your Views

The Board and Staff at Steve Biko Housing Association welcomes the views of all tenants on this report. Please direct any comments to:

Tracey Gore
Director
3 Yanwath Street
Liverpool L8 0XP
Tel: 0151 734 4933
Email address tgore@stevebikoha.org

Board of Management

Robbie Williams	Chair
Howard Cover	Company Secretary
Michael Whitehead	Treasurer
Michelle Cox	
Yvonne Davies	
Saba Ahmed	

Director and Staff Employed as at 31st March 2018

Tracey Gore	Director
Ustar Miah	Housing & Neighbourhood Services Manager
Mohamoud Hassan	Housing & Neighbourhood Services Officer
Beverley Williams	Community Regeneration Manager
Mike Bernard	Repairs Specialist
Beverley Betteridge	Office Manager
Shelique Braithwaite	Admin / Receptionist
Yasmin Ogleh	Independent Living Officer
Susan Condon	Sheltered Scheme Cleaner

Agency Services

Financial Services are provided by a management agency through a formal agreement. Our managing agent is:

North West Housing Services
19 Devonshire Road
Liverpool L8 3TX

We have contracted HMS to provide Repairs and estate based services through a formal contract.

Auditors

Mitchell Charlesworth
5 Temple Square
Temple Street
Liverpool
L2 5RH

Solicitors

Brabners
Horton Hose
Exchange Flags
Liverpool
L2 3YL