

Lune Valley Annual Report 2024



We support rural communities by
providing affordable homes for rent



Message from the Chair

Nick Paxman

Welcome to this year's annual tenant report of Lune Valley Rural Housing Association (LVRHA).

Consumer Regulation

The Regulator of Social Housing introduced the Tenant Satisfaction Measures (TSMs) and our first-year results are presented later on in this report. The Board has also taken steps to develop policies where we found gaps against the new Consumer Standards, such as adaptations.

The latest annual perception survey, using new TSM methodology, shows 76% of tenants are satisfied with LVRHA.

The Board appointed Tim Dant as the Member Responsible for Complaints, a requirement of the new statutory Compliant Handling Code, issued by the Housing Ombudsman Service. Tim will work with the our Managing Agent, South Lakes Housing, and will champion a positive complaint handling culture.

The Board has set aside £10k for a community fund to support community projects with pilot schemes at Hornby and Forton currently taking place. We would like to hear your views about what Lune Valley Rural Housing Association could do for you in your community.

Investing in homes

£64k has been invested in existing housing stock, ensuring that all properties meet the Decent Homes Standard. This has included responding to a small number of reports of damp and mould.

£40k of this has been invested in improving the energy efficiency performance, targeting EPC C in four homes. LVRHA forms part of a consortium of other housing providers, who were successful in securing Government funding via the Social Housing Decarbonisation Fund.

New Developments

The Board completed the acquisition of 5 two-bedroomed homes at Dolphinholme from developers Jones Homes.

The homes were allocated to new tenants at the beginning of the financial year 2024-25.

The Board are also looking to agree a new loan to continue developing much needed new homes within our rural areas.

Our application to re-join Lancaster City Councils Strategic Housing Partnership was successful, meaning the ability to continue to develop new homes in this target market.

New Board Members

Two new Board Members have been appointed. John Lighten joins with a career in the Armed Forces and having served as a Non-Executive Director of a Housing Association in the

North-East. Graham Aspden was also recruited having spent many decades within the construction industry and in safety and quality, which is a key focus of the Board.

We are looking to recruit to new Board member positions, so if you are interested or would like to know more please contact me.

LVRHA Annual General Meeting will take place on Monday 9th September 2024 from 11.30am at Ingleborough Community Centre, Main Street, Ingleton LA6 3HG – we hope to see some of you there. If you would like to attend the meeting but can't make it in person please contact Emma Wilson e.wilson@southlakeshousing.co.uk as we have IT to enable virtual attendance.

Nick Paxman
Chair

Mission Statement

- Provide quality affordable homes in rural areas and around the Lune Valley for people with a local connection who are in housing need.
- To be an integral part of the communities in which we operate, working with tenants, parish councils and the wider community.
- Ensure that housing is retained for local people in perpetuity.
- Maintain a locally representative voluntary board with the skills to govern the Association.



Shareholders

The Board developed a new Shareholder Membership Policy in August 2020 and this was approved at the 2020 Annual General Meeting.

The policy aims to contribute towards the Association's mission statement to be an integral part of the communities in which we operate, working with tenants, parish councils and the wider community. Tenants, parish councillors and those with an impact across our communities can become Shareholders.

The obligations of Shareholders are to act at all times in the interests of the Association and

as guardians of the Associations' objects. Admission is subject to an application process and Shareholders get to attend and vote at General Meetings and make key decisions. Shareholders will each receive a nominal share to the value of £1.

Lune Valley Rural Housing Association currently has 7 Shareholders, all current Board Members.

Secretary's Report- Nick Egdell

In November 2022 the Board appointed myself as the Company Secretary. I receive governance and regulatory advice from the Managing Agent (SLH).

The Board receives quarterly reports on regulatory and governance compliance. This includes the Regulator of Social Housing (RSH), Housing Ombudsman, Financial Conduct Authority, and Information Commissioner's Office.

The Board continues to certify compliance with the National Housing Federation 2015 Code of Governance 'Promoting

board excellence for housing associations', the Regulator of Social Housing's Regulatory Standards, and the Housing Ombudsman's statutory Complaint Handling Code published in April 2024.

We communicated with the RSH about 3 homes where rents have been set incorrectly for a number of years, and not in accordance with the Rent Standard. Tenants were contacted with refunds and we apologised for the historic error. The RSH took no further action and the matter is closed. The Board received assurance that 100% of rents are set correctly.



A number of new and updated policies were approved to comply with the Codes listed here, including;

- Adaptations
- Board Member Appraisals
- Complaints & Compensation
- Unacceptable Behaviour
- Whistleblowing

The new policy framework has been introduced to ensure all policies and strategies are reviewed and updated on time. Policies are then added to the LVRHA website www.lunevalleyhousing.co.uk

Tenant services report

Introduction

Housing management services for Lune Valley Rural Housing Association (LVRHA) are provided by the South Lakes Housing Association (SLH) from its office based at Bridge Mills Business Centre, Kendal, Cumbria, Kendal, LA9 4BD.

Allocations and Lettings

Lune Valley Rural Housing Association exists to provide housing for people in need in the rural communities in which it works. The Regulator for Social Housing expects us to let homes in a fair, transparent, and efficient way. Our allocations policy has the support of the three Local Authorities (North Yorkshire, Lancaster, and Wyre) and our properties are advertised on their Choice Based Lettings website.

Some homes have to be allocated according to the section 106 agreements (a legal condition placed on the homes when the scheme received planning permission). The aim of the policy is to support people with a local connection to rural areas and help retain families who are often priced out of local housing markets.

Properties let in the year

– 8 homes were vacated and then re-let during 2023/2024 and 6 brand new homes were built. This compares to 10 homes relet in 2022/23.

Complaints

Our Managing Agent received 2 Stage 1 complaints during the year. The average time to respond was 8.5 days, against the Housing Ombudsman Complaint Handling Code target time of 20 working days to respond. The two complaints related to; repairs and assets

- fencing
- Damp & Mould

Learnings - Improving compliance with closure on devices. Material requests with suppliers are now all copied in with team leaders. Works were allocated to external contractors, poor communications in

delivering information due to staff absence. The contractor is to book work in when the quote is agreed with SLH to avoid future delays.

There were no Stage 2 complaints. The Board approved the updated Complaints Policy in April 2024, which complies with the new statutory Complaint Handling Code. A complaint can be made by a tenant or any other customer and can be made by email, telephone, in person at our offices, in writing, by phone or through another agency advocate, or social media.

The definition of a complaint is *'an expression of dissatisfaction, however made, about the standard of service, actions, or lack of action by the organisation, its own staff, or those acting on its behalf, affecting an individual resident or group of residents'*.

Tenancy Enforcement

During the year South Lakes Housing dealt with:



4 cases of anti-social behaviour.

Rental Income and Arrears

There are some technical arrears included in this year's figures. Accounts are being managed well and we continue to offer support and assistance to those who need it.



Rent arrears at the end of the year – £25,601 in 2023/24, compared to £25,535 in 2022/23



Rent arrears as a percentage of debit – 4.05% in 2023/24, compared to 4.43% in 2022/23

Customer Satisfaction

A customer satisfaction survey was sent to tenants between December 2023 and February 2024. 34 customers responded.



Overall customer satisfaction – 76%



Perception from tenants that homes are well maintained – 76%



Perception from tenants that their home is safe - 85%



Perception that Lune Valley Housing makes a positive contribution to neighbourhoods – 62.5%.

Responsive Repairs

It has been a difficult year with a 20% increase in repairs and difficulties in recruiting labour.



98% of emergency repairs completed on time



69% of all other repairs completed on time

All properties have an up-to-date gas and electrical safety certificate. Gas servicing has been provided by Rothwells.

Investment and Planned Works

The Board reviews its planned maintenance programme annually and is underpinned by good quality stock condition surveys and previous investment data.

In 2023/24 there was a total investment of capital and revenue expenditure of £63,967 compared to £78,654 in 22/23.

Resident Involvement

We have several Lune Valley Rural Housing tenants who have joined the SLH Community Facebook group, which is a closed resident engagement group.

Lune Valley again ran its garden competition for 2023 here are some of the winning pictures below.



1st Place



1st Place



2nd Place

2024-25 Planned Maintenance Programme

Maintenance Programme

The Board is investing £219k in major repairs and £14k in planned maintenance work in homes over the next 12 months to ensure that they meet our Home Standard, which is set above the Government's minimum Decent Homes Standard. This includes £80k investment to improve energy efficiency through the Social Housing Decarbonisation Fund, making them greener and warmer, and also money set aside to keep you safe.

This will include;

- New Kitchens (1 home)
- New Bathrooms (4 homes)
- Shower replacements (15 homes)
- Extract fans to kitchens/bathrooms (46 homes)
- Gas Boilers (13 homes)

And several other items including, fencing, paths and driveways.

Tenants are contacted well in advance of works to ensure good communications and preparation time and to cater for personal circumstances.

Grounds Maintenance

This service is provided to tenants on schemes that pay a service charge; School Lane Over Kellett, Rowan Bank Halton, Cherry Tree Close Pilling, Willow Close Forton, Milestone Place Caton, Lindeth Close Silverdale, Station Court Hornby, and The Shielings, Arkholme.

The service is provided by Continental Landscapes. Under normal circumstances this would include 12 site visits in the months between April and September and 3 visits in the months of November, January, and March.

The grounds maintenance services at Cherry Tree Close, Pilling are provided by Pilling Parish Council and The Shielings, Arkholme through a separate management company.

The Board is looking at ways to improve grounds maintenance services and will be consulting tenders on potential improvements to the specification and on future service charges. There will then be a tender issued in late 2024/25.

Tenant Satisfaction Measures

In April 2024, the Regulator of Social Housing introduced a new requirement for all social housing landlords, to annually report on 22 measures that tell you how well we're doing at providing quality homes and services. These are called Tenant Satisfaction Measures (TSMs).

12 of the measures come from an annual perception survey, which we will commission from an external market research company. This year's survey was conducted by TLF, during December 2023 and February 2024. All tenants

were invited to take part, 34 were interviewed either by telephone or via a web form.

The Board has agreed improvement areas with its managing agent, South Lakes Housing, particularly around

the repairs service and waiting times for repairs with new staff to be recruited etc. We will include comparisons to other housing providers in future reports, when this information is published by the Regulator.

Measure	2023/24 Result
TP01: Overall satisfaction	75.8%
Theme 1: Keeping properties in good repair (RP)	
RP01: Homes that do not meet the Decent Homes Standard	0%
RP02 (1): Repairs completed within the target timescale (non-emergency)	68.7%
RP02 (2): Repairs completed within the target timescale (emergency)	98.0%
TP02: Satisfaction with repairs	70.0%
TP03: Satisfaction with the time taken to complete most recent repair	55.0%
TP04: Satisfaction that the home is well maintained	75.8%
Theme 2: Maintaining building safety (BS)	
Many of the areas are not applicable to LVRHA as we do not own or manage properties requiring communal asbestos checks or water safety checks under the regulations. LVRHA do not have any passenger lifts.	
BS01: Gas safety checks	100%
BS02: Fire safety checks	n/a
BS03: Asbestos safety checks	n/a
BS04: Water safety checks	n/a
BS05: Lift safety checks	n/a
TP05: Satisfaction that the home is safe	84.8%
Theme 3: Respectful and helpful engagement	
TP06: Satisfaction that the landlord listens to tenant views and acts upon them	64.3%
TP07: Satisfaction that the landlord keeps tenants informed about things that matter to them	58.1%
TP08: Agreement that the landlord treats tenants fairly and with respect	81.3%
Theme 4: Effective handling of complaints (CH)	
CH01 (1): Complaints relative to the size of the landlord (Stage 1)	18.9
CH02 (1): Complaints responded to within Complaint Handling Code timescales (Stage 1)	100%
CH02 (1): Complaints relative to the size of the landlord (Stage 2)	0.0
CH02 (2): Complaints responded to within Complaint Handling Code timescales (Stage 2)	N/A
TP09: Satisfaction with the landlord's approach to handling complaints	50.0%
Theme 5: Responsible neighbourhood management (NM)	
NM01: Antisocial behaviour cases relative to the size of the landlord	37.7
TP10: Satisfaction that the landlord keeps communal areas clean and well maintained	54.5%
TP11: Satisfaction that the landlord makes a positive contribution to neighbourhoods	62.5%
TP12: Satisfaction with the landlord's approach to handling antisocial behaviour	60.0%

Board of Management

The Lune Valley Rural Housing Association Board are local residents and work for the association on a voluntary basis.



Nick Paxman, Chair

A Company Director and experienced property professional. This includes 30 years in development work specifically in land sales, new build and the acquisition and construction of 200 properties.

Lives in Burton, Lancashire

Joined the Board: December 2018



Tim Dant

Previously was chair at Lancaster University, having followed an academic career of teaching and research in sociology. Tim has volunteered as an 'advocate' for people making complaints against public bodies and as an 'independent visitor' for looked-after children. He is also a Trustee with Lancaster Citizens advice and is a volunteer at Lancaster City of Sanctuary repairing bikes to be used by asylum seekers and refugees.

Lives in Lancaster

Joined the Board: February 2022



Graham Aspden

Has over 4 decades of experience working in the construction industry, in senior roles and latterly as a Director. In that time Graham has gained extensive knowledge in many areas as diverse as Quality, IT, Health & Safety and HR. He is passionate about giving time to support local enterprises, having been a Parent Governor at primary & secondary schools and volunteered at a local sports club. Graham is looking to give back to society by using his skills and expertise to support social enterprises where he can.

Lives in Preston

Joined the Board: August 2023



Janet Huddart

Experience in working with young people in schools and was a member of the Independent Monitoring Board for prisons. A Parish Councillor with an interest in appropriate planning and community life in local villages.

Lives in Forton, Lancashire

Joined the Board: April 2015



Nick Egdell

Experienced commercial individual working across a number of industries, including construction and energy efficiency sectors.

Deputy Chair of the Audit & Risk committee for Southway Housing Trust.

Lives in Dolphinholme, Lancashire

Joined the Board: April 2015



Clive Newby

Spent two decades as a Headteacher of a special school responsible for an annual budget of £2m and involved in £26m public private partnership to redevelop a group of local authority schools.

Lives in Giggleswick

Joined the Board December 2019

Value for Money

The Board continues to focus on value for money and a summary of our performance against the Regulator of Social Housing's Value for Money metrics is shown below. The table also shows a comparison with the most up-to-date sector benchmarks.

Metric	Ref	2023/24 Actual	2022/23 Actual	2022/23 Sector*
Reinvestment %	a	2.2%	7.2%	3.7%
New supply delivered (social housing)	a	0%	3.8%	0.7%
New supply delivered (non-social housing)		0%	0%	0%
Gearing	b	14.4%	19.1%	32.9%
Earnings Before Interest, Tax, Depreciation, Amortisation - Major Repairs Included (EBITDA – MRI)	c	289%	315%	171%
Headline social housing cost per unit	d	£3,497	£2,525	£5,720
Operating Margin (social housing lettings)		34.7%	43.9%	18.7%
Operating Margin (overall)		34.7%	43.9%	16.8%
Return on Capital Employed (ROCE)	e	3.74%	4.67%	2.10%

Rents are set in line with Government guidance and the Regulator of Social Housing's Rent Standard. Rents increased by 7% in October 2023 and will increase again by 7.7% in October 2024, in line with the Government's rent ceiling. The Board also agreed in April 2020 to increase social housing

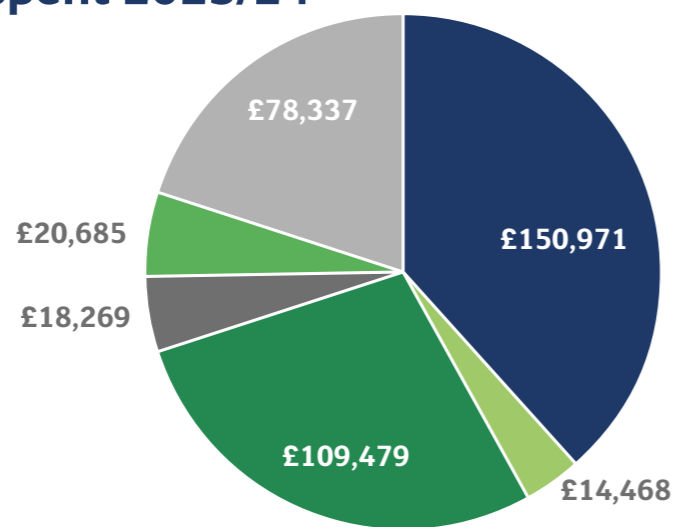
rents by 5% when a property becomes empty and is let to a new tenant. This change will create additional capacity to develop much-needed housing within our rural communities.

The Board continues to look for opportunities to reduce operating costs and improve value for

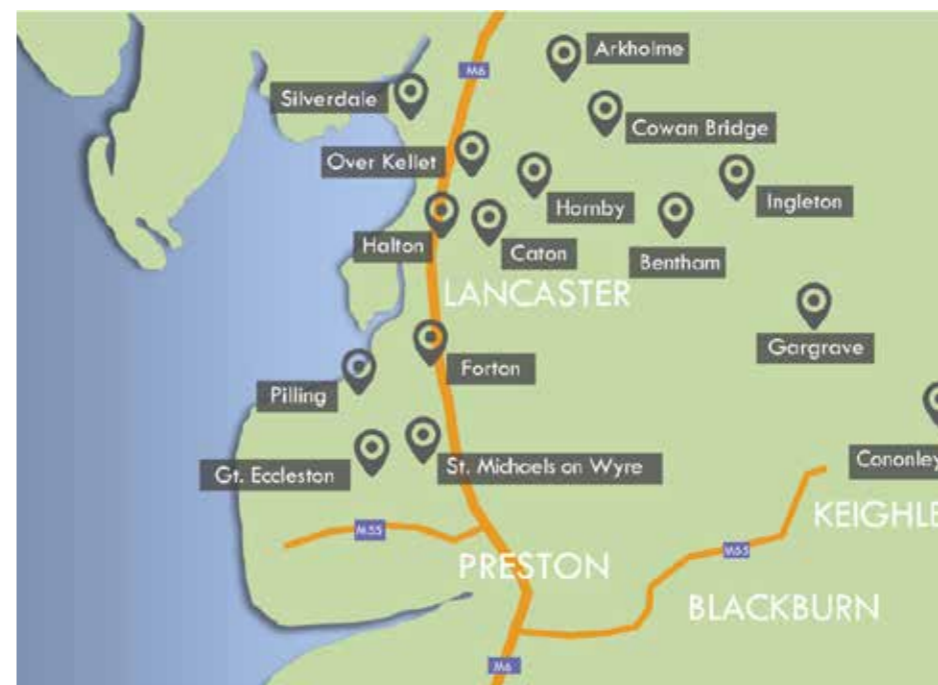
money for current tenants whilst generating surpluses for new development. The Board receives sufficient and regular assurance from South Lakes Housing about the costs of repairs and maintenance. Development appraisal assumptions have also been reviewed.

Where income was spent 2023/24

- Management costs
- Service charge costs
- Routine maintenance
- Planned maintenance
- Purchase of fixed assets
- Financing costs



Location of Stock



Locations			
Cherry Tree Close		Pilling	PR3 6AW
Apple Tree Close		St Michaels on Wyre	PR3 0TG
Hampson Terrace	St Marys Road	Great Eccleston	PR3 0ZW
Lindeth Close		Silverdale	LA5 0UT
Manor Close		Ingleton	LA6 3BF
Milestone Place	Fell View	Caton	LA2 9RF
Rowan Bank		Halton	LA2 6RB
Church Bank		Over Kellet	LA6 1DT
Station Court		Hornby	LA2 8SD
Walton Close	Marton Road	Gargrave	BD23 3NY
Willow Close		Forton	PR3 0AG
The Sheilings		Arkholme	LA6 1FA
Burr Tree Gardens		Cowan Bridge	LA6 2HS
Haw Croft	Cononley	Skipton	BD20 8FB
Park Croft		Gargrave	BD23 3NA
Chestnut Drive		Bentham	LA2 7FF
Craggs View		Over Kellet	LA6 1FY
School Lane		Over Kellet	LA6 1BN

Property Details

Development	House Size	Number	Year Built	Average Rent*
Craggs View, Over Kellet	2 bed house	2	2022	£116.36
	1 bed flat	2		
Park Croft, Gargrave	1 bed house	1	2022	£120.37
	2 bed house	4		
	3 bed house	2		
Chestnut Drive, Bentham	2 bed house	2	2021	£133.34
Hornby Court, Caton	2 bed house	4	2019	£132.25
Haw Croft, Cononley	2 bed house	6	2019	£113.55
Burr Tree Gardens, Cowan Bridge	2 bed house	3	2018	£149.69
The Sheilings, Arkholme	2 bed house	2	2016	£129.49
	3 bed house	1		
Hampson Terrace, Great Ecclestone	2 bed bungalow	1	1996	£111.23
	2 bed house	1		
	3 bed house	4		
Lindeth Close, Silverdale	2 bed house	2	1996	£109.02
	3 bed house	1		
Rowan Bank, Halton	2 bed house	3	1996	£109.68
	3 bed house	3		
School Lane & Church Bank, Over Kellet	3 bed house	5	1996	£118.75
Apple Tree Close, St Michaels	2 bed house	5	1994	£115.18
	3 bed house	2		
Cherry Tree Close, Pilling	2 bed house	4	1994	£114.51
	3 bed house	4		
Milestone Place, Caton	2 bed house	2	1994	£111.36
	3 bed house	2		
Willow Close, Forton	2 bed house	10	1993	£112.11
Manor Close, Ingleton	2 bed house	5	1993	£116.76
	3 bed house	3		
Walton Close, Gargrave	2 bed bungalow	1	1993	£117.94
	2 bed house	4		
	3 bed house	3		
Station Court, Hornby	2 bed flat	4	1989	£112.68
	2 bed house	4		
	3 bed house	4		

* Not including service charges

Financial Report

The financial accounts for the year to 31 March 2024 shows that we continue to operate under a sound financial footing with a surplus of income over expenditure of £169k and a further increase in reserves to £2.63m.

A summary of the accounts is as follows;

	2023/24 Budget	2023/24 Actual	Variance
Turnover	656,604	657,652	1,048
Management Costs	(185,656)	(173,173)	12,483
Service Costs	(16,728)	(14,468)	2,260
Revenue Repairs	(131,205)	(144,701)	(13,496)
Depreciation	(94,970)	(96,933)	(1,963)
Operating Surplus	228,045	228,377	332
Interest Payable	(93,945)	(90,179)	3,766
Interest Receivable	4,200	10,711	6,511
Surplus After Tax and Interest	138,300	148,909	10,609

The key reasons for the variances between actual and budget are set out below.

- £13k higher turnover, due to rental income additional properties acquired in the year earlier than budgeted.
- £7k higher management cost expenditure principally due to costs relating to the redemption of refinanced loans.
- £8k higher on service costs, as a result of inflationary pressures on key service areas in the year.
- £111k lower expenditure on revenue repairs. There has been significant expenditure in the

- year particularly relating to responsive repairs, offset by lower than budgeted major works. This year we have seen a large number of properties where works were able to be deferred due to them being in good condition and not requiring replacement. This has resulted in the limited amount of spend against capital works. All properties that have been deemed as 'in good condition' will be placed in future years programmes and re-surveyed before replacement is undertaken.
- Interest payable is £5k lower than budget, primarily as a result of the new CAF fixed rate loan starting later than anticipated.

The Board commenced treasury discussions with existing and potential funders during 2021/22. The aim was to free up resources for additional development, reduce debt servicing costs and reduce exposure to future interest rate increases. We were delighted to sign an agreement with CAF Bank in June 2022 which has refinanced our previous loans, reducing exposure to volatile interest rates and provides an additional £1m in undrawn loans to use for procuring additional properties. Stakeholders should take note of the significant steps that the Association has taken to ensure that we remain viable for the longer term.

Financial Summary

The tables below are extracts from the full statutory accounts. These represent the two key financial statements summarising performance in the year and the financial position at the end of the year. The full audited statements, containing further commentary and analysis, are due to be signed by the Board on the 19th August 2024. Copies are available from the registered office.

Statement of Comprehensive Income For the Year Ended 31 March 2024

	Note	2024 £	2023 £
Turnover	2	657,652	612,329
Operating expenditure	3	(429,275)	(343,368)
Operating surplus		228,377	268,961
Interest receivable		10,711	2,701
Interest and financing costs	6	(90,179)	(102,911)
Surplus before tax		148,909	168,751
Taxation		-	-
Total comprehensive income for the year		148,909	168,751

Statement of Financial Position at 31 March 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	9	5,253,892	5,235,403
Current assets			
Trade & other debtors	10	36,545	86,432
Cash and cash equivalents	11	1,010,387	555,375
		1,046,932	641,807
Less: Creditors:			
Amounts due within one year	12	(191,307)	(123,559)
Net current assets		855,625	518,248
Total assets less current liabilities		6,109,517	5,753,651
Creditors: amounts falling due after more than 1 Year	13	(3,327,751)	(3,120,794)
Total net assets		2,781,766	2,632,857
Reserves			
Non-equity share capital	16	7	7
Income & expenditure reserve		2,781,759	2,632,850
Total reserves		2,781,766	2,632,857

Bowland Rise





How to get in touch

Lune Valley Rural Housing Association has a management agreement with South Lakes Housing. If you are our customer with a specific service need you can get help and support by contacting South Lakes Housing:

customerservices@southlakeshousing.co.uk

www.southlakeshousing.co.uk

0300 303 8540 (24/7)

www.lunevalleyhousing.co.uk