



Annual Report 2022

We support rural communities by
providing affordable homes for rent.

www.lunevalleyhousing.co.uk



Message from the Chair

Nick Paxman

Welcome to this year's annual tenant report which shows a summary of what we have been up to over the last year.

I was elected as Chair at the February 2022 Board meeting following Nick Egdell stepping down after 5 years as Chair due to other commitments. Nick Egdell has however decided to remain a Board member as he is keen to keep supporting Lune Valley Rural Housing Association. We are delighted that Nick will continue on the Board and thank him for his stewardship over the years.

During the year we achieved an important milestone having reached our ambition of becoming a 100-home landlord. We have provided seven new homes at Hellifield Rd, Gargrave and two homes at Felstead, Bentham, taking our housing stock to 102 homes. I am pleased to say all homes have now been let in line with the requirements of the local authorities. We have also concluded a refinancing and new funding partnership with CAF Bank which will enable us to continue to develop homes within rural communities for local people and further invest in the quality of existing homes.



During the year we asked our tenants what they thought about services and there were 15 responses. The results were excellent, but we do need more tenants to complete the survey as they are used to inform priorities and investments. Many tenants value the service that is provided, and we will be targeting energy efficiency improvements and community engagement activities in the coming year. We would like to hear your views about what Lune Valley Rural Housing Association could do for you in your communities.

I am pleased to report that we have a new Board Member following the appointment of Tim Dant in February 2022. I would also like to thank all Board Members for their time and contribution. All Board Members, including myself, give their time on a voluntary basis based upon common values, captured in our mission statement, and the desire to improve the quality and provision of affordable housing in rural areas. The Board has a relevant mix of skills and these can be found in the governance section of this report. We will always seek additional individuals to strengthen our Board so if you are interested then please get in touch to discuss the role further.

We will hold our Annual General Meeting in Ingleborough Community Centre, LA6 3HG at 1pm on Monday 15th August 2022 – we hope to see some of you there.

Mission Statement



Shareholders- who are they and what do they do?

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 councils 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 to help make important decisions that affect you as tenants. Shareholders will each receive a nominal share to the value of £1.

Lune Valley Rural Housing Association currently has 7 Shareholders comprising mostly of Board Members. One shareholding membership was ceased during the year in accordance with the Rules which stipulate that shareholders stand down if they do not participate in two consecutive annual general meetings.



Secretary's Report

**John Mansergh-
Interim Acting
Company Secretary**

The previous Company Secretary resigned from the Board in February 2021 and the Board has been working with South Lakes Housing to ensure that company records and filings continue to be maintained.

Despite the continuation of the challenges associated with the pandemic, the Board met physically during the year, including at the important Annual General Meeting for Shareholders. They also met virtually on a couple of occasions to progress the new funding arrangements. This ensured that the Board had a firm grasp of risk at all times.

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 Complaint Handling Code. The Board also took time out during an 'away day' in May 2022 to consider the Energy Efficiency Strategy, Allocations Policy and Community Engagement Priorities. The Board have reflected on the challenges associated with the new Code of Governance and agreed to keep the Code of Governance under review and continue to adopt the 2015 Code of Governance, as it better reflects the structure of a small Housing Association. The Board will consider the new 2022 Code of Conduct during 2022/23.

Nick Egdell decided to step down as Chair at the February 2022 Board meeting due to other commitments but will remain on the Board. Nick Paxman was elected as the newly appointed Chair at the February 2022 meeting. Tim Dant was formally co-opted onto the Board at the February 2022 Board meeting.

The Acting Company Secretary oversaw the returns to the Financial Conduct Authority, Information Commissioners Office and Regulator of Social Housing. They were all completed on time with the Board receiving regular reports on compliance.

Tenant Services Report

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

Allocations & Lettings

Lune Valley Rural Housing Association exists to provide housing for people in need within the rural communities that we operate. 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 (Craven, 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 a rural area and help retain families who are often priced out of local housing markets.

Properties let in the year -10 homes in 2021/22 (including 7 new developments), 2020/21 4 homes, 3 in 2019/20

Rent lost due to empty properties - £1,399 in 2021/22, £2,043 in 2020/21 and £1,005 in 2019/20



Complaints

The new 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'.

Our Managing Agent received 3 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 10 days. The three complaints related to; anti social behaviour, neighbourhood dispute and ventilation/leak problem. One case was escalated to Stage 2, this was resolved within 17 days, against the Housing Ombudsman Complaint Handling Code target time of 20 days.

If you wish to make a complaint you should contact SLH on 0300 303 8540 or you can raise a complaint via the website. If you wish to know more about the complaints procedure you can access the policy on Lune Valley Rural Housing website.

Tenancy Enforcement

During the year South Lakes Housing (SLH) our managing agent dealt with 6 cases of anti-social behaviour. The Team also dealt with 6 tenancy management cases.

Rental Income & Rent Arrears

The Government placed restrictions on landlords from serving legal proceedings during the year because of Covid-19. Our Managing Agent contacted all tenants during the year and managed to find support and access to welfare benefits for those that needed it.

Rent arrears at the end of the year - £15,134 in 2021/22, £13,483 in 2020/21 £13,115 in 2019/20 £18,793 in 2018/19

Rent arrears as a % of debt - 2.9% in 2021/22, 2.7% in 2020/21 2.5% in 2019/20 6.1% in 2018/19

Customer Satisfaction

A customer satisfaction survey is sent to tenants following the completion of repairs.

Overall customer satisfaction with repairs - 92% in 2020/21 95% in 2019/20. You can see some of the survey highlights below:



100% Overall satisfaction with the services provided



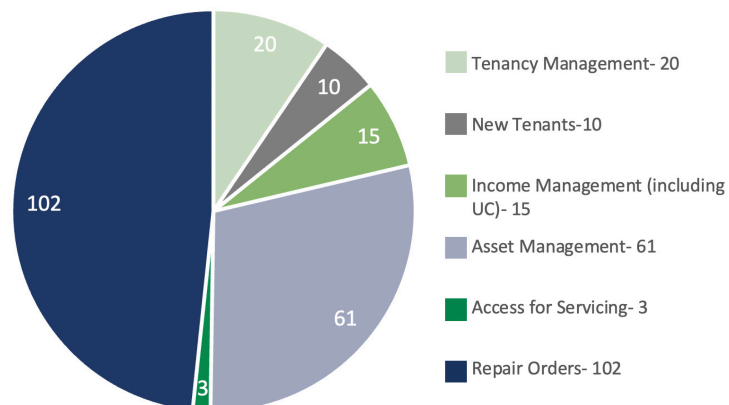
60+ Net Promoter Score



100% Satisfaction that LVRHA provides value for money

Customer Contacts

South Lakes Housing dealt with 211 enquiries from tenants during the year.



Responsive Repairs

Responsive maintenance has proven to be very challenging during the pandemic and there are also challenges within the sector to recruit repairs operatives.

Overall performance for the year;

100% of emergency repairs completed on time

71% of other appointments completed on time with 86% of appointments made and kept.

All properties have an up-to-date gas and electrical safety certificate. Safety is managed by Rothwells formally (Rogersons).

Should you need a repair please refer to the Repairs handbook issued to all tenants earlier this year. You can report a repair either by calling South Lakes Housing on 0300 303 8540 or using the online form on the website.



Investment & Planned Works

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

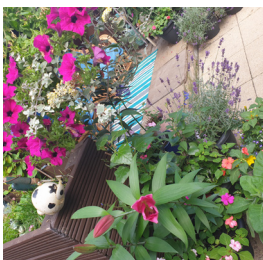
In 2021/22 a combined capital and revenue expenditure totalled £17.2k, compared to £15.6k in 2021/21.

A customer request for a disabled adaptation was approved by the Board in May 2022, following a referral from an Occupational Therapist, in line with the Boards Adaptations Policy.

Resident Involvement

We have 9 Lune Valley Rural Housing tenants who have joined the SLH Community Facebook group, which is a closed resident engagement group.

2 tenants took part in the 2021 Gardening competition and Sammi Sargent came 2nd place.



2022-23 Planned Maintenance Programme

The Board is investing £185k 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 is to make your homes safer and more energy efficient. This includes bringing forward some investments that could not go ahead in the past couple of years due to pandemic restrictions. This information is based upon the latest Stock Condition information taken from surveys and replacing items which have passed their lifecycle.

This will include;

Making your homes more energy efficient:

- Upgrading loft insulation (23 homes)
- Renewing boilers (3 homes)
- New radiators (2 homes)

Keep you and your families safe:

- Replacing smoke alarms (25 homes)
- Renewing consumer units (25 homes)
- Renewing heat detectors and batteries (17 homes)
- Full rewire (1 home)
- Other health and safety improvements to address fall hazards (18 homes) and asbestos (1 home)

Improving the quality of homes and dealing with condensation:

- Renewing or installing extractor fans (35 homes)
- New double glazing (11 homes)
- New kitchens (4 homes)
- New showers (8 homes)
- New baths (4 homes) New doors (4 homes)
- New fencing (2 homes)
- Rainwater pipes and WC's

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

If you would like to know more about planned maintenance for your property, contact SLH managing agent on 0300 030 8450.

Grounds Maintenance

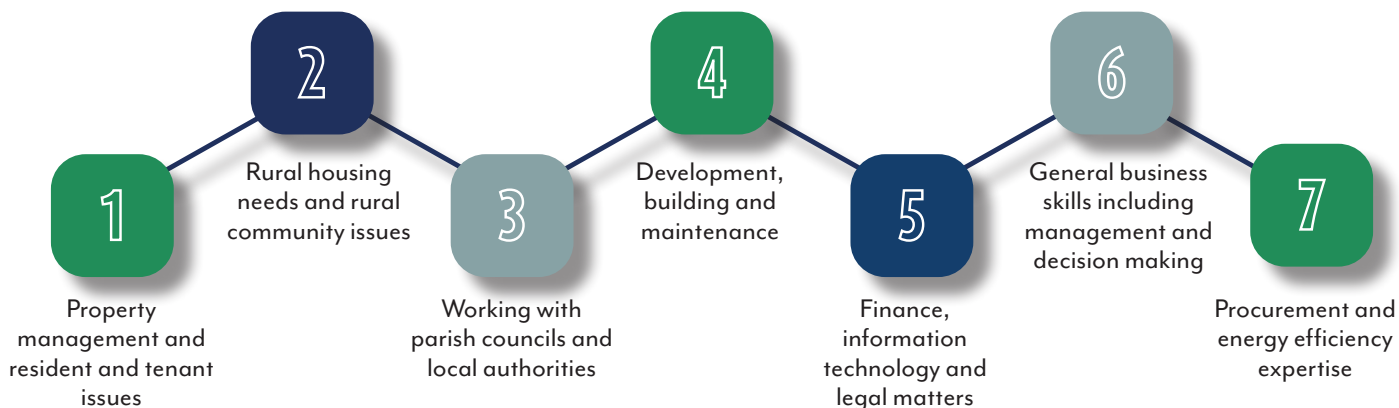
This service is provided to tenants on schemes that pay a service charge; School Lane Over Kellett, Rowan Bank Halton, Cherry Tree Close Pilling, Willow Close Forton, Milestone Place Caton, Lindeth Close Silverdale, Station Court Hornby and The Shielings, Arkholme.

The service is provided by Continental Landscapes. This includes 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 is provided by Pilling Parish Council and The Shielings, Arkholme through a separate management company.

Governance

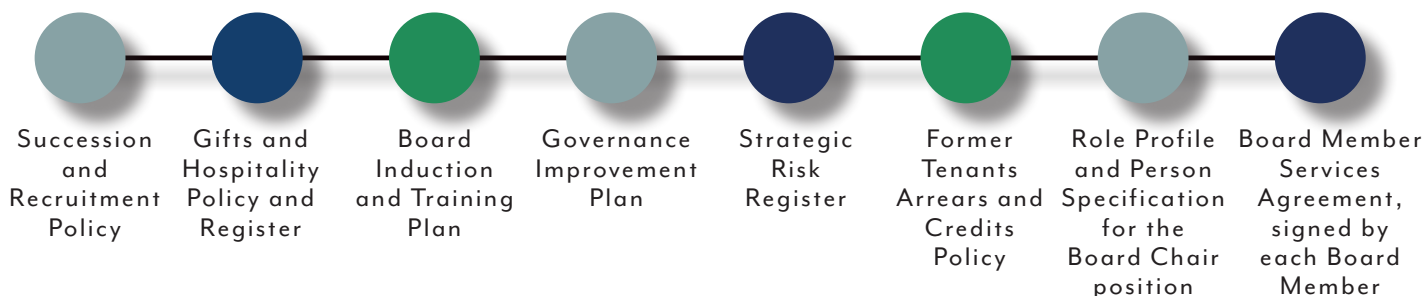
The Association relies on a volunteer Board of management to set its strategic direction and ensure good governance. Board members have a range of relevant experience, local knowledge and expertise in order to discharge their responsibilities, including:



The Board is supported by professional advice from its managing agents, auditors and other advisers. The Board has adopted the National Housing Federation's Code "Excellence in Governance" (2015 Edition) as the Association's code of governance. The Board certifies that it complies with the code.

The Board has ensured that relevant insurance policies and premiums have been renewed for the year ahead.

The Board also developed a new set of internal control and governance related documentation during the year, including;



We also issued a repairs handbook guide to all Tenants earlier this year detailing how to report a repair to SLH.

LUNE VALLEY
Rural Housing Association LIMITED

My Repairs and Maintenance Service

Our Responsibilities As Your Landlord

As a social housing landlord, we have a duty of care to our customers and the homes where they live. We can't fix issues if we do not know about them, if you have a repair then you must report it.

As a basic guide, we are responsible for things such as:

Roofs, Walls and Floors	Windows, Frames and External Doors	Heating/Hot Water Equipment, Services and Safety checks
External Decorations	Taps, Sinks, Basins, Baths and Toilets* please note we do not replace plugs, chains and toilet seats.	Paths, from Front Door to Gate
Kitchens Fittings (excluding your own appliances)	Electrical Wiring	Communal Washers and Dryers, Communal Lights and Grounds Maintenance

Your Responsibilities as a Tenant

It is your responsibility as a tenant of LVH/A to report repairs to us as soon as they happen. Where damage is caused by neglect, carelessness or deliberate action, either by yourself, members of your household or visitors, then it is your responsibility to pay for the repair or replacement.

Decoration & Flooring Painting, wall papering (you must not use a wall steamer), minor cracks (no greater than the width of a £1 coin), all flooring types.	Fixtures and Fittings Curtain rails, shower curtain/screens, toilet seat, plugs, chains, all types of lightbulbs, TV aerials.	Outdoor Washing lines, rotary dryers, trees and hedges in your garden.
Vermin Rats, mice, flies, woodlice, slugs, wasps, ants and bees.	Anything you paid for, fitted yourself or gifted Appliances, approved alterations, sheds.	Loss, Damage or Misuse Lost and broken keys, blockages to sinks and toilet, accidental or intentional damage.
Gas Servicing and Electrical Checks To allow access for annual gas service and 5 yearly electrical safety inspection.	Contents Insurance Protecting your contents from any general wear and tear repairs i.e. leaks and bursts.	Break-ins and Vandalism Report any incidents to the police for a Crime Reference. Without this you may be charged for damage occurred.
Mould and Condensation Condensation is created daily through activities such as drying clothes indoors, cooking, showering/bathing and where ventilation is poor. If you identify areas within your home which have signs of damp or mould, please contact us and we will arrange to send a specialist surveyor to your property. They will investigate the cause and arrange any necessary rectification works. We know it not always possible but some small changes in how you live at home can have a big impact on condensation, potentially solving the problem. We encourage our residents to try and take steps to prevent mould and condensation which can be found on our website.		

Board of Management

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

Chair

Nick Paxman

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



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



Tim Dant

Previously was a Professor of Sociology at Lancaster University. Volunteering as an 'advocate' for people making complaints against public bodies and as an 'independent visitor' for looked-after children.

Lives in Lancaster

Joined the Board: February 2022



Mark Robinson

A chartered accountant with a varied background in audit and financial reporting, including experience in the construction and property industries.

Lives in Lancaster

Joined the Board: March 2019



Nick Egdell

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

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



Board resignations during the year were: Brian Atkinson

Thank you for your enormous contribution to the Association since 2016.



Value for Money

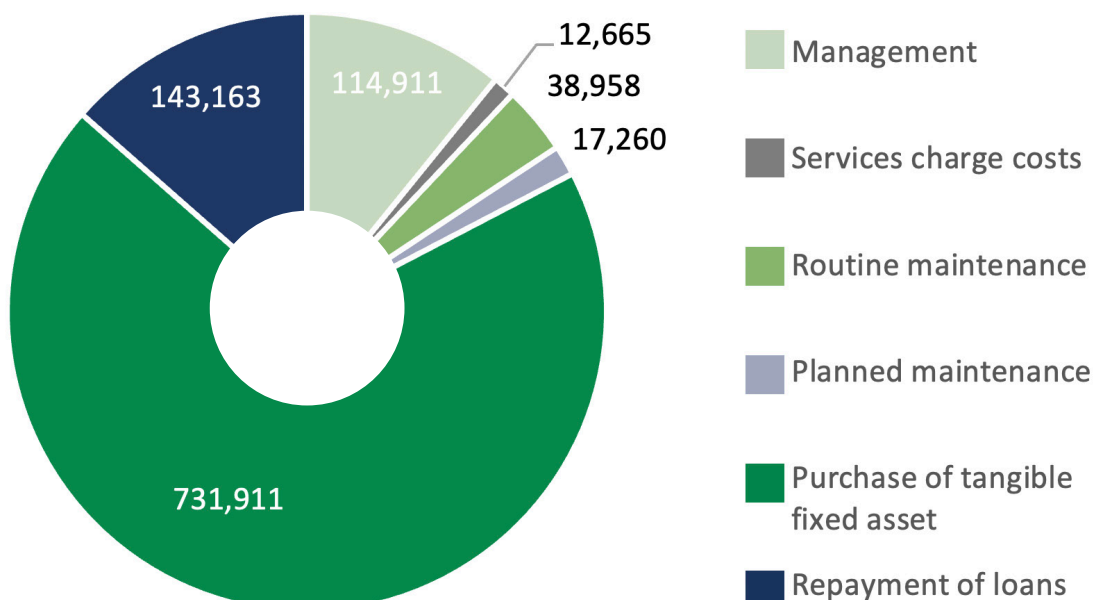
The Board continues to focus on value for money and a summary of our performance against the Regulator of Social Housing's Value for Money metrics is shown below.

	Ref	2021/22 Actual	2020/21 Actual	2021/22 Sector
Reinvestment %	a	15.2%	0.6%	4.6%
New supply delivered (social housing)	a	8.8%	0.0%	0.8%
New supply delivered (non-social housing)		0%	0%	0%
Gearing	b	15.3%	8.4%	33.7%
Earnings Before Interest, Tax, Depreciation, Amortisation, Major Repairs Included (EBITDA MRI)	c	777%	838%	205%
Headline social housing cost per unit	d	£2,004	£1,855	£4,790
Operating Margin (social housing lettings)		44.6%	51.1%	25.1%
Operating Margin (overall)		44.6%	51.1%	22.1%
Return on Capital Employed (ROCE)	e	4.44%	4.92%	2.9%

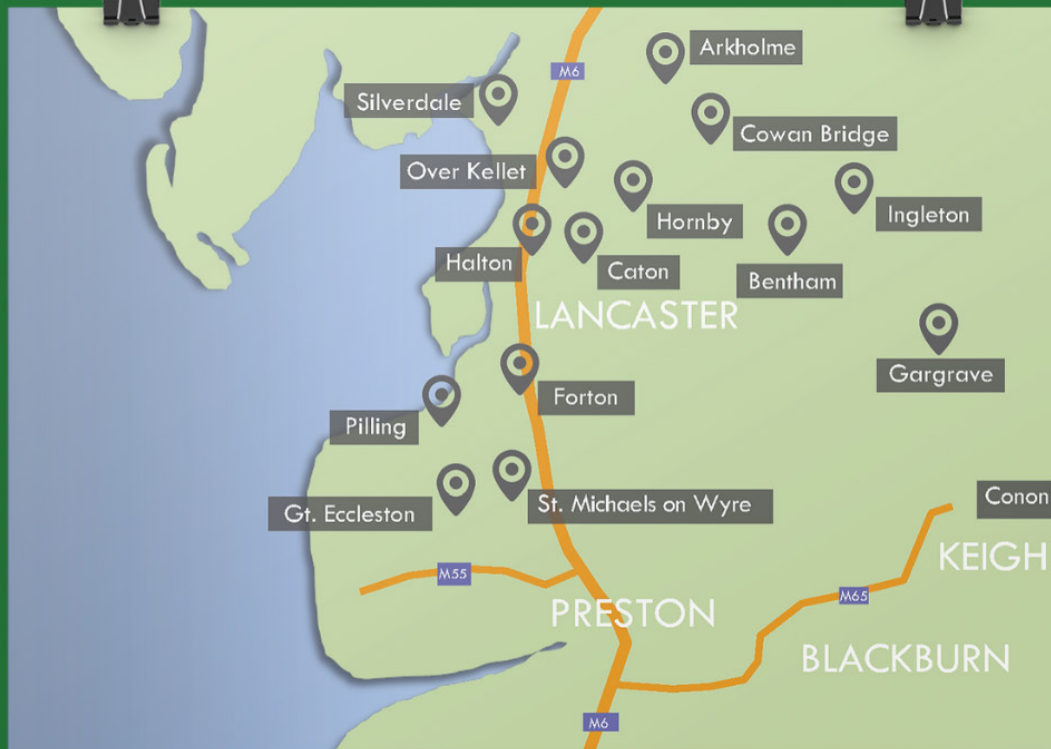
Rents are set in line with Government guidance and the Regulator of Social Housing's Rent Standard. Rents increased by 1.5% in October 2021 and will increase again by 4.1% in October 2022. The Board also agreed in April 2020 to increase social housing rents by 5% when a property becomes empty and is 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 now receives sufficient and regular assurance from its Managing Agent (SLH) about the costs of repairs and maintenance. Development appraisal assumptions have also been reviewed by the Board.

Where income was spent 2021/22



Location of Stock



Locations

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

Property Details

Development	House Size	Number	Year of Build Date	Average Rent Level Including Service Charges 2022/23
Park Croft, Gargrave	1 Bed House 2 Bed House 3 Bed House	1 4 2	2022	£105.20
Chestnut Drive, Bentham	2 Bed House	2	2021	£119.72
Hornby Court, Caton	2 Bed House	4	2019	£118.74
Haw Croft, Cononley	2 Bed House	6	2019	£101.95
Burr Tree Gardens, Cowan Bridge	2 Bed House	3	2018	£128.16
The Sheilings, Arkholme	2 Bed House 3 Bed House	2 1	2016	£123.45
Hampson Terrace, Great Eccleston	2 Bed Bungalow 2 Bed House 3 Bed House	1 1 4	1996	£100.20
Lindeth Close, Silverdale	2 Bed House 3 Bed House	2 1	1996	£101.70
Rowan Bank, Halton	2 Bed House 3 Bed House	3 3	1996	£98.48
School Lane and Church Bank, Over Kellett	3 Bed House	5	1996	£107.55
Apple Tree Close, St Michaels	2 Bed House 3 Bed House	5 2	1994	£103.28
Cherry Tree Close, Pilling	2 Bed House 3 Bed House	4 4	1994	£102.46
Milestone Place, Caton	2 Bed House 3 Bed House	2 2	1994	£99.98
Willow Close, Forton	2 Bed House	10	1993	£103.74
Manor Close, Ingleton	2 Bed House 3 Bed House	5 3	1993	£104.37
Walton Close, Gargrave	2 Bed Bungalow 2 Bed House 3 Bed House	1 4 3	1993	£106.44
Station Court, Hornby	2 Bed Flat 2 Bed House 3 Bed House	4 4 4	1989	£101.91

Treasurer's Report

Mark Robinson

I was appointed to the Board as Treasurer in November 2019 and continue to work with the South Lakes Housing Finance Team and I am regularly involved in conversations with funders and business planning advisors.

The financial accounts for the year to 31 March 2022 shows that we continue to operate under a sound financial footing with a surplus of income over expenditure of £241k (2021:£265) and a further increase in reserves to £2.46m (2021:£2,26).

The 2021/22 position to date is summarised in the table below:

	Full Year 21/2 2 budget	Actual YTD	Variance
Turnover	-562,528	-540,136	22,392
Management Costs	139,692	116,518	-23,174
Service costs	12,035	12,665	630
Revenue Repairs	120,911	76,825	-44,086
Depreciation	86,713	93,474	6,761
Operating Surplus/deficit (-/+)	-203,177	-240,654	-37,477
Interest Payable	43,906	34,916	-8,990
Interest Receivable	-650	-107	543
Surplus/deficit after tax and interest (-/+)	-159,921	-205,845	-45,925

- The key reasons for the variances between actual and budget are set out below.
- £22k less turnover, this is mainly due to lower rental income following deferral of new development schemes.
- £23k less spend on management costs than the profiled budget. This relates to a number of smaller underspends on demand led areas such as expenses, room hire, legal and courts costs.
- £44k lower spend on revenue repairs than budgeted; this largely relates to the planned repairs programme. Significant amounts of work were completed in the final quarter but there is still an underspend against the budget overall. £6k on fall hazard remedy works and £10.7k on window works have been requested to be added to the 2022/23 budget. Voids and responsive repairs taken together are £11k under budget; these are demand led.
- Interest payable is £9k lower than budget. The Association's loans are on variable rates with rates lower than budgeted for the majority of the year.

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 15th August 2022. Copies are available from the registered office.

Statement of Comprehensive Income

	2022 £	2021 £
Turnover	540,137	518,007
Operating expenditure	(299,483)	(253,298)
Operating surplus	240,654	264,709
Interest receivable	107	620
Interest and financial costs	(34,916)	(38,464)
Surplus before and after tax	205,845	226,865

Statement of Financial Position

	2022 £	2021 £
Fixed assets		
Tangible fixed assets	4,947,267	4,286,358
Current assets		
Trade & other debtors	45,655	74,331
Cash and cash equivalents	727,496	1,264,413
	773,151	1,338,744
Less: Creditors:		
Amounts due <1 year	(294,379)	(239,877)
Net current assets	478,772	1,098,867
Total assets less current liabilities	5,426,039	5,385,225
Creditors: amounts due > 1 Year	(2,961,933)	(3,126,963)
Total net assets	2,464,106	2,258,262
Reserves		
Non-equity share capital	(7)	(8)
Income & expenditure reserve	(2,464,099)	(2,258,254)
Total reserves	(2,464,106)	(2,258,262)

Community Fund

The Lune Valley Rural Housing Board have been discussing how they can help Tenants and their Communities. The Board have thought about setting up a Community Fund that Tenants could tap into to make improvements within their communities. If you have any thoughts or ideas about how we can support our Tenants and the local community, we would love to hear from you. You can make suggestions by going to the Lune Valley website and using the 'contact us' tab or by emailing our managing agent South Lakes Housing on: e.wilson@southlakeshousing.co.uk



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)

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Rural Housing Association
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