

Annual Report for Residents 2013/14

make it happen

Plymouth
Community Homes



Welcome to the 2013/14 Annual Report!

As we approach our fifth anniversary since the homes transferred across to PCH from the Council, we are delighted that 121 of the 125 promises made to residents have been fulfilled. The four remaining promises, which all relate to meeting the Decent Homes Standard, will be completed throughout 2014/15.



I am pleased at how far we have come as an organisation. Resident satisfaction has climbed from 73% to 88%, over 80% of our homes now meet the Decent Homes Standard, we have supported hundreds of community projects throughout Plymouth and we have become a landlord and employer of choice. We have also won Training Programme of the year from City College for our NVQ Level 2 Cleaning programme delivered to our Environmental Services teams and a prestigious Sword of Honour from the British Safety Council – only 68 other organisations worldwide have been given this award in recognition of excellent health and safety management. Additionally, we were runners-up for the Herald's Large Business of the Year and the National Housing Federation Community Impact award

But it doesn't stop there

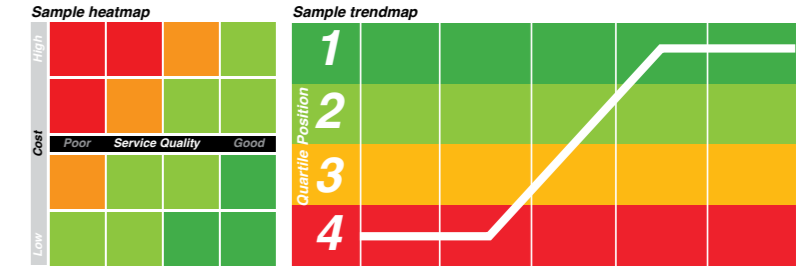
This year has been very much about delivering our 2013-18 Business Plan, "Looking Ahead". This includes improving our customer service, supporting communities to thrive, thinking of ways to generate extra money to pay for enhanced services and considering our environmental impact both as a business and as a landlord of over 14,500 homes.

I am reassured that tenants remain at the heart of decision making at Plymouth Community Homes – and over the coming year we will be working towards meeting the strict standards for resident involvement set out by the Tenant Participation Advisory Service (TPAS), which will result in a quality accreditation. This shows us all how committed PCH is about involving you, the people who make a difference to our organisation.

It is vital that residents are involved at all levels within the organisation. I am particularly keen to hear from anyone who would like to know more about becoming a Board member. If you are interested please contact us on the Head Office number on the back of this booklet.

I hope you enjoy reading this year's report – and once again I'd like to thank all of our residents, staff and partners in making this a very successful year.

Introduction and our approach to business effectiveness



Over the past 12 months we have been putting our [2013-18 Business Plan](#), "Looking Ahead", into practice.

In doing so, value for money – or business effectiveness as we prefer to call it – is at the heart of everything we deliver. In practice this means making best use of all our assets, in a cost effective, customer-focussed way to benefit Plymouth Community Homes' residents.

This Annual Report shows how well we are performing against our Business Plan – how we are making our homes and business more environmentally friendly, our plans to build more homes, how we are working to improve the ways that you can talk to us, the work we are doing with residents and other organisations to help our communities thrive – and much more.

Each year we assess our services for cost and quality (our value for money self-assessment) and publish the results. In making the assessment, we consider the cost and quality of our services compared to other housing associations in England. Every housing association delivers its services in a different way, dependent on resident priorities, so costs may vary. These self-assessments are displayed on a grid called a heatmap. Each heatmap is accompanied by a trend-map which shows our assessment for previous years and our target on cost and quality for future years.

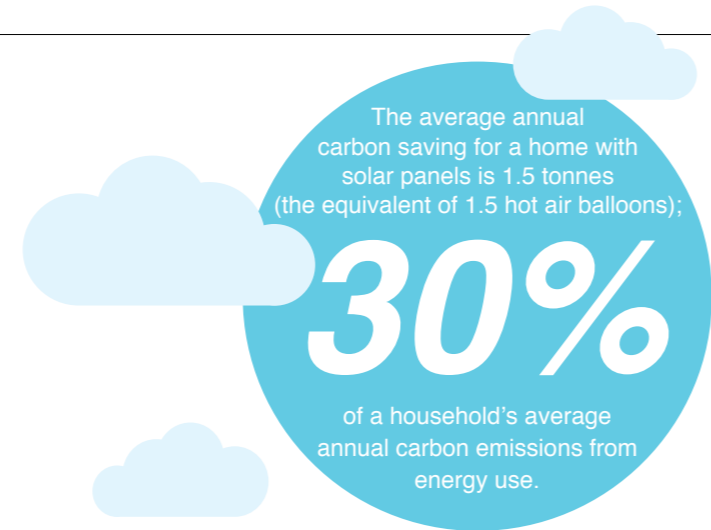
From top to bottom, the heatmap shows whether the cost of delivering a service is low, medium or high compared to others.

From left to right, the heatmap shows the quality of our service based on customer satisfaction and other performance indicators.

Objective One

We will make our homes and business environmentally sustainable.

Our impact on the environment is significant. That's why over the last 12 months we have set out plans to make our homes and business more environmentally friendly.



We want to:

- reduce carbon emissions from your homes and our organisation
- reduce the amount of water we use and help you to do the same
- improve how we manage waste within PCH and encourage home recycling
- maintain a track record of no pollution incidents
- buy our goods and services in a sustainable way
- manage our green spaces in creative ways that benefit communities

A large part of this is about supporting residents to reduce both the environmental impact and cost of running a home. This could be

through improvements to heating systems, installing solar panels, insulating homes and much more.

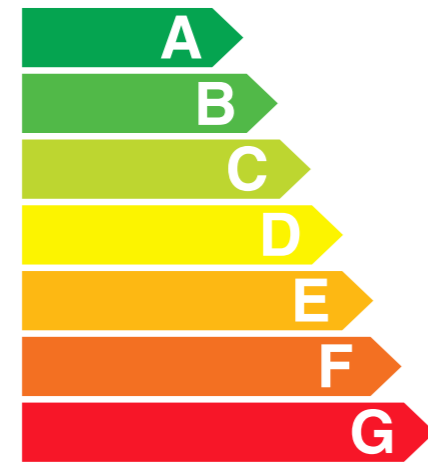
We also recognise the importance of keeping you informed about the best way to use home energy so we're going to develop that as well.

You will have seen that fridges and washing machines have energy efficiency ratings on them from A to G – and homes have one too! The average energy efficiency rating for a PCH home is 69.67 which equates to a "C".

This rating is broadly in line with homes owned by other housing associations but we want to do more. We have an ambitious target to reach an average energy efficiency rating of at least 81 across the whole housing stock by 2020, which will be a B rating.

Average Home Energy Efficiency Rating

More efficient



Less efficient

We're one of only a handful of housing associations in England currently working in partnership with British Gas, who are funding a multi-million programme of external wall insulation for some of our homes. This is a major accomplishment for Plymouth. The work not only improves energy efficiency but also gives the properties a facelift which helps to improve the appearance of neighbourhoods. 601 homes were completed in 2013/14 and another 2,000 homes will be externally insulated during 2014/15, work that could reduce household bills by up to £250 a year and save up to 600kg of carbon per year. The resident feedback has been so good that we plan to continue the programme into the future

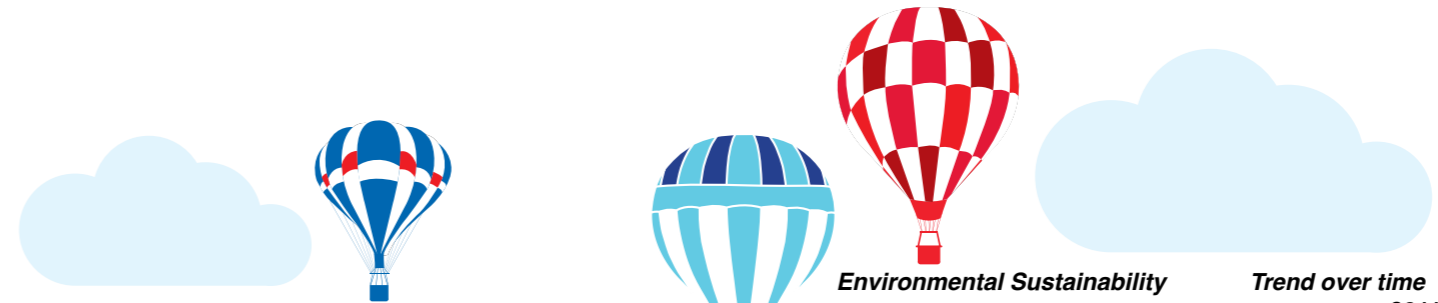
Because this major programme is being funded by British Gas, we

are able to spend the money we set aside for wall repairs on other projects – for example we plan to invest £12million on solar panels for another 3,000 homes over the next 12 months.

On average, residents with solar panels on their roof could save up to £210 per year and PCH could receive up to £425 per property per year from a feed-in-tariff. This is paid to PCH by energy suppliers for any electricity that goes back into the national grid and is used to maintain the solar panels. Over the 30-year lifetime of the panels, we expect that the total saving on bills is £18million, which is likely to be spent within the local economy instead of with national energy suppliers.

As part of the installation programme, we're supporting residents to benefit as much as possible from the electricity generated by the panels – this usually means making small changes to how many electrical appliances are used at the same time.

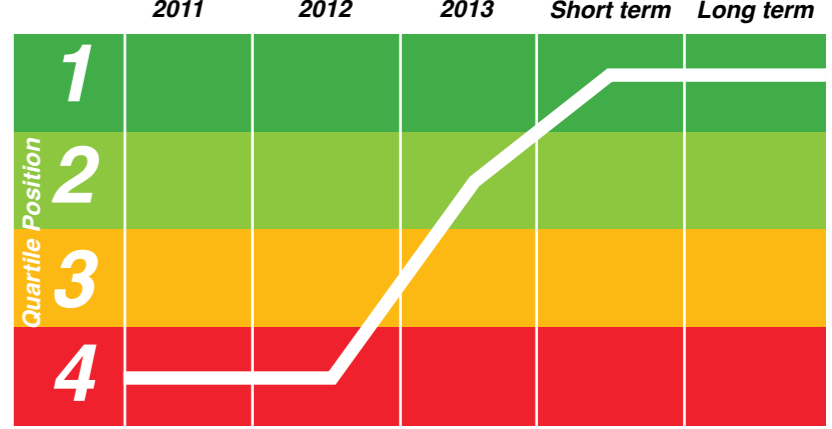
We have also trialled LED lighting in the corridors and communal room at Innes House, as they use even less energy than energy-saving light bulbs. We estimate there could be



Environmental Sustainability

High	Red	Red	Orange	Green
Cost	Red	Orange	Green with checkmark	Green
	Poor	Service Quality	Good	
Low	Green	Green	Green	Green

Trend over time



reduction in service charges paid by residents and maintenance costs for PCH. Carbon emissions are reduced by around 7 tonnes per year or 7 hot air balloons. The pilot is being evaluated as we hope to increase the number of blocks with LED lighting in the future.

Out and about within some of our neighbourhoods we have been talking to residents about surrounding green spaces and we are being told about the health benefits and importance attached to enjoying these areas, including as a great way to meet people who live nearby.

As a start we have planted an urban woodland in Penlee and created a tree-lined avenue in North Prospect - both areas have fruit trees so

fruit really can be grown, picked and eaten! Our tree specialist will be helping to look after the trees, ensuring that they stay in tip top condition.

Within PCH, we are putting an environmental management system in place – in practice this means we will have a set of audited policies and procedures that requires PCH to both operate in an environmentally friendly way and set targets for improvement. Later in 2014, our procedures will be certified to ISO14001, an internationally recognised standard.

For 2013/14, we have assessed our environmental performance to be high cost and medium quality. This is because our waste management

costs were high, we had a range of offices with poor energy efficiency, had high levels of business travel between locations and we were in the process of developing our environmental plans. We have already moved our office based staff into one building – Plumer House - which has been insulated to modern standards, business travel is more limited than before and we now have an environmental sustainability strategy based on an independent gap analysis completed in 2012. Our aim is to steadily build on these foundations and improve year on year, becoming at least medium cost and high quality in 2014/15.

Objective Two

Develop more homes and improve our existing stock

As we approach our fifth anniversary since PCH took over the ownership of Council homes, the Decent Homes improvement programme is nearing completion.



In November 2009, almost all homes needed a new kitchen, bathroom and external doors. PCH and our contractors have been working hard to make this happen. A smaller number of properties also needed new windows, central heating, roofs and electrical rewiring and these programmes are progressing well too.

As well as ensuring residents have modern and fit-for-purpose homes where they want to live, bringing homes up to a better standard also means that we can borrow money to make additional improvements in the wider neighbourhoods – and we can build more homes. So over the past year we have been considering how to best invest in the stock in years to come.

So what's next?

Now that most of the stock meets the Decent Homes Standard, and the remainder (except those within the North Prospect regeneration area) will by 2015 – we need to ensure the homes never fall short of the standard again. Our homes in North Prospect are part of a longer term plan to transform the neighbourhood and will be brought up to the correct standard as the refurbishment and new build phases complete.

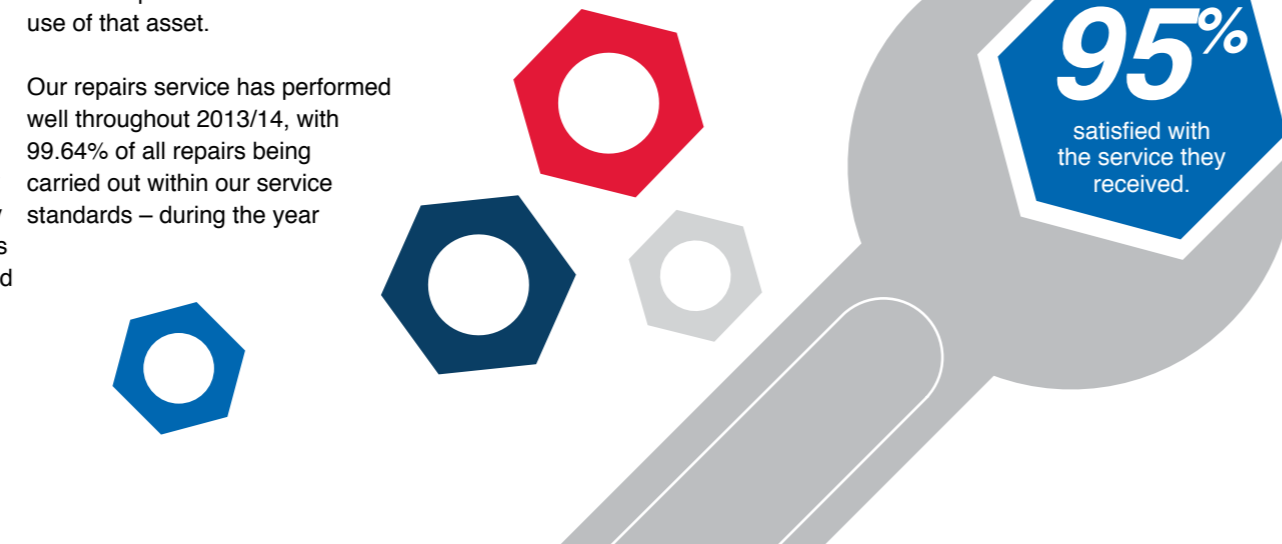
We borrow money from banks – similar to a mortgage but on a much bigger scale – and the higher the value of our assets, the more money we are able to borrow. It is extremely important that the value of the homes is maintained and we have developed a way of assessing what is needed to protect and increase this value over time.

In making the assessment, we

consider things such as the age, build type, energy efficiency, demand, how much investment is required and what the rental income should be over a 30-year period. If the amount of money we need to invest in a home exceeds the amount of income we would expect to receive, then we would need to consider options around the best use of that asset.

we completed around 66,000 responsive repairs.

Over 95% of residents who had a repair during the year were satisfied with the service they received. During 2013/14 the budget for repairs was £6.6million and we spent £6.4million



The regeneration in North Prospect is moving forward at a fast pace. The look and feel of the neighbourhood is starting to change as the building and refurbishment work progresses. The regeneration programme consists of 1,100 new homes, of which 650 will be for rent or shared ownership through PCH.

A lower than anticipated number of new build homes was handed over to us during 2013/14 – 65 out of 124. This has been caused by a range of factors beyond our control, for example the extreme weather at the end of 2013 and early 2014 meant that builders were unable to be on site as much as anticipated. Also, as the country comes out of the recession, national house-building has increased considerably resulting in a widespread materials shortage. We expect to make up the shortfall over the next year.

At the heart of North Prospect is the new community building – The Beacon Hub. This is a mix of commercial units, community space and residential accommodation for the over 55s. At present, a day care nursery and a brand new library are at The Beacon Hub, with shops and other facilities due to move in. Our shared ownership homes have been selling well, with more due on the market soon. These provide a great way to get a foot on the property ladder.

In our Business Plan, we said we wanted to build 750 new homes within the Plymouth area by 2018 - over and above those being built in North Prospect. As part of this, we recently agreed to purchase an old school site in Southway from Plymouth City Council, this will deliver much needed homes in the north of the city. Plans are being put in place to finance and build the other homes.

We have assessed our responsive repairs service as high quality, medium cost. Over the last year we have delivered almost all repairs within the specified timeframe, and there is a high level of satisfaction amongst residents. In terms of cost, the service is fairly efficient but there is room for improvement. To build upon the work of the 2010 Repairs Continuous Improvement Group (a service review by residents and staff), we are further refining how we deliver our service. This is about making the service run more smoothly and reduce running costs.

Our strategic asset management function which includes major improvement works, new-build developments and cyclical maintenance has been assessed as medium quality and high cost. The trend line above shows that in 2012/13 our performance improved but for 2013/14 reduced. This is because in 2012/13 we made a significant improvement in the percentage of homes meeting the Decent Homes Standard but

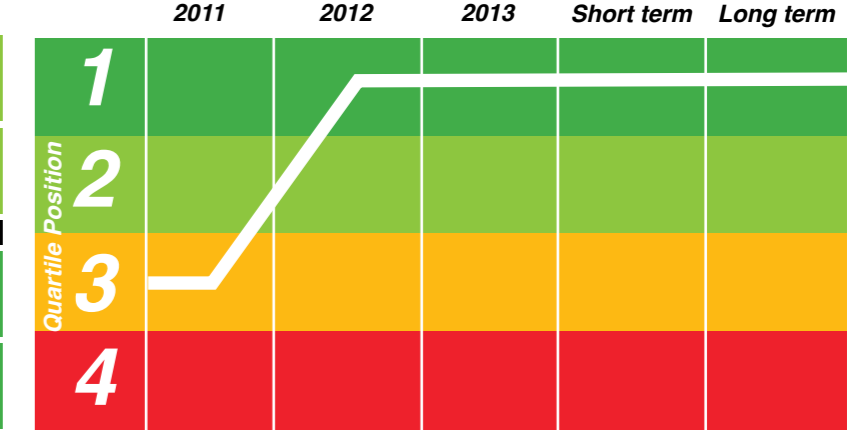
in 2013/14 whilst maintaining the improvements in the condition of homes, we have also experienced delays on our new-build development as noted. We aim to reverse this trend, particularly having developed a way of assessing what is needed to protect and increase the value of our assets over time.



Responsive Repairs



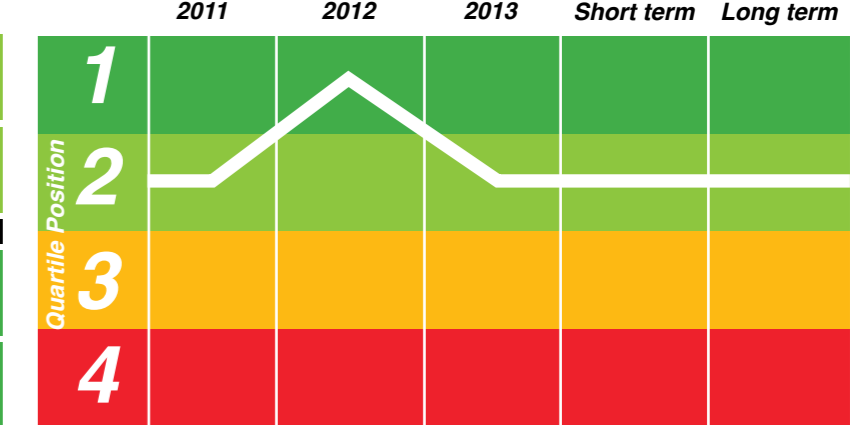
Trend over time



Asset Management



Trend over time



Objective Three

Improve the appearance and safety of our neighbourhoods



The look and feel of our neighbourhoods is really important – resident surveys have highlighted that people want to enjoy the surroundings of where they live and feel safe in their homes.

In making improvements to the appearance and safety of our neighbourhoods, we work with residents to understand and agree priorities for improvement. These improvements are mainly achieved through our “Money Tree Fund”, which is a pot of money to the value of £10million available to be spent. So far we have spent £4.2million, with £849,000 spent during 2013/14.

As well as making physical changes in our neighbourhoods, we recognise that strong and consistent tenancy management is vital to support thriving communities. Our Housing Officers are available to support residents with any matter relating to their tenancy.

In 2013/14, around 60 projects were completed across Plymouth from very small projects such as gardening vouchers or garden benches to larger projects such as fencing at Foulston Avenue, CCTV at Marlborough House and Ipswich Close and parking schemes at Stonehall Flats and Morwell Gardens.

We’re aware that a lot of anti-social behaviour happens out of office hours, so following feedback from residents a 24-hour anti-social behaviour reporting line is available. Residents can contact us immediately when an incident occurs rather than having to wait until the following day – and the calls can be used as evidence if we need to bring a case to court.

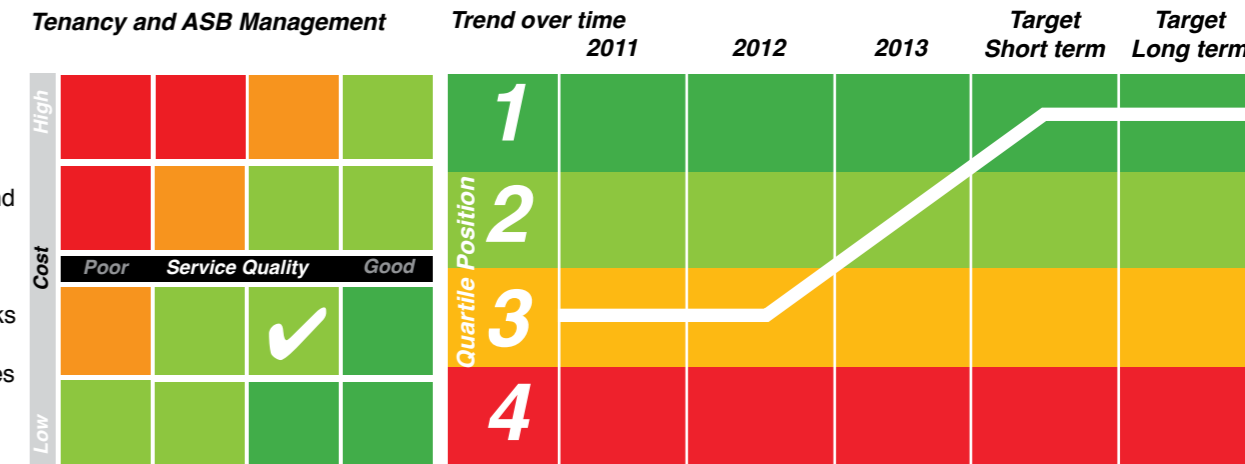
Performance in our anti-social behaviour service is shown in the table below.

Annual Spend on the Money Tree Fund	2008/09 Result	2009/10 Result	2010/11 Result	2011/12 Result	2012/13 Result	2013/14 Result	Total spent so far	Resident Satisfaction with the way that their anti-social behaviour complaint was handled	2011/12 Result	2012/13 Result	2013/14 Result	Target 2014/15
	£153,485	£435,959	£1,308,021	£882,994	£596,109	£849,657	£4,226,227		83.87%	79.93%	81.31%	82%



We’re also working with residents to improve the areas surrounding PCH homes – we own land that is the equivalent of **100 football pitches** which offers a community facility that supports enjoying the great outdoors. In particular we have been working with residents to improve the Ringmore Way neighbourhood which includes over cladding, ground works and improvements to the green spaces. This will be completed during 2014/15.

For 2013/14, we have assessed our performance in tenancy and anti-social behaviour management as medium cost and medium quality. When comparing ourselves to other organisations we are in the top 50% for satisfaction with case handling and cost of tenancy management. Over the next two years we plan to reach an assessment of low cost, high quality through more prevention works within our neighbourhoods aimed at reducing tenancy management issues and anti-social behaviour.



Objective Four

We will transform our customer experience

When we ran our last resident satisfaction survey in early 2013, we were given a clear message that our customer service could be better. The results were clear – make sure residents get through to the right person quickly and without having to explain over and over again. Since then, we have been working with a group of residents to help shape our customer service for the future.



So, during 2013/14 we have started to put this into practice – with the first priority to open a new customer service centre in Plumer House and refurbishing the ground floor to create a welcoming one stop shop for all of our services.

The new service opened in June 2014, together with a new IT training suite for residents and resident groups which is also being used to deliver part of our Learn for Free programme.

Our Frankfort Gate one stop shop in the city centre is still open, so residents can also pop in there to talk to us.

Over the coming months, we're going to be able to record each query from residents so that we can avoid passing enquiries around the

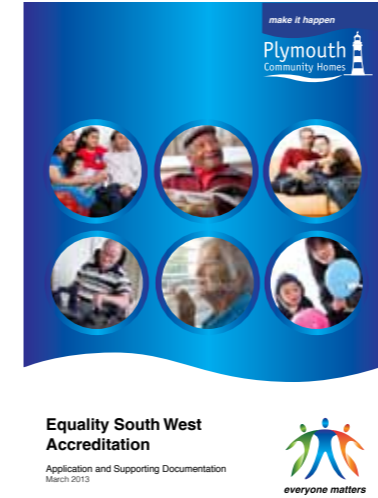
organisation. We're also looking to expand the role of our Customer Service Centre so that you can call us and talk to anyone you get through to about a whole range of services.

A comprehensive resident satisfaction survey was carried out in July 2014 and the results will be published later this year.

It is becoming increasingly important to know how to use the internet, especially with the introduction of Universal Credit in Plymouth due in the next 12-18 months. The Government expects most benefit claimants to manage accounts online and we know that only half of PCH residents have access to the internet and knowledge to find what is needed online.

During the past year, we have been working in partnership with BT to implement a "Get IT Together" programme. This programme has been put into place to support residents with getting access to the internet. There are a range of ways that this scheme can help; first-time users can access training, residents can find out how to get hold of computer equipment at a good price or find out where free internet access is available on public computers.

To find out more please call 01752 398995



Equality and diversity is at the heart of our organisation. During 2013/14, we developed a team of staff ambassadors who champion the nine protected characteristics set out in the Equalities Act 2010 – these are age, disability, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation, gender and gender reassignment.

Throughout 2013/14, the Ambassadors held "Equalities Cafés" where external speakers are invited to come in and talk to staff about equality-related subjects. Over the past year, staff heard about religion/belief, gender reassignment and sexual orientation. PCH has also been working with the University of Plymouth and Stoke Damerel Community College to better understand the impact of

dementia and how we can shape our services to become a more dementia friendly organisation. Some of our staff also had special training to become Dementia Friends.

In 2013, we held an equality and diversity Continuous Improvement Group, which was a service review carried out by residents and staff. The group's remit was to make recommendations for further improving the way we deliver services to all sectors of the community. The recommendations from the group have been endorsed by the PCH Board and are being put into place. Examples include tailoring our services more to individuals and offering residents the opportunity to attend the "Equalities Cafés".

We are proud to announce that we have been awarded the Gold standard accreditation from Equality South West in recognition of the emphasis we place on equality and diversity whilst delivering our services.

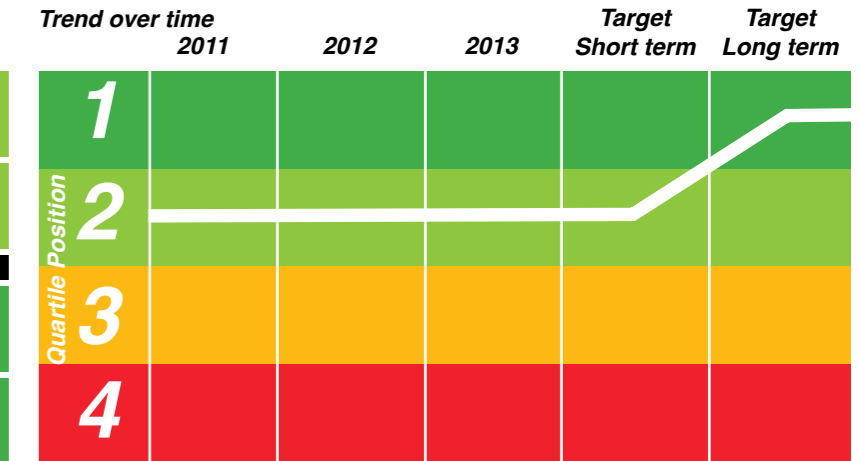
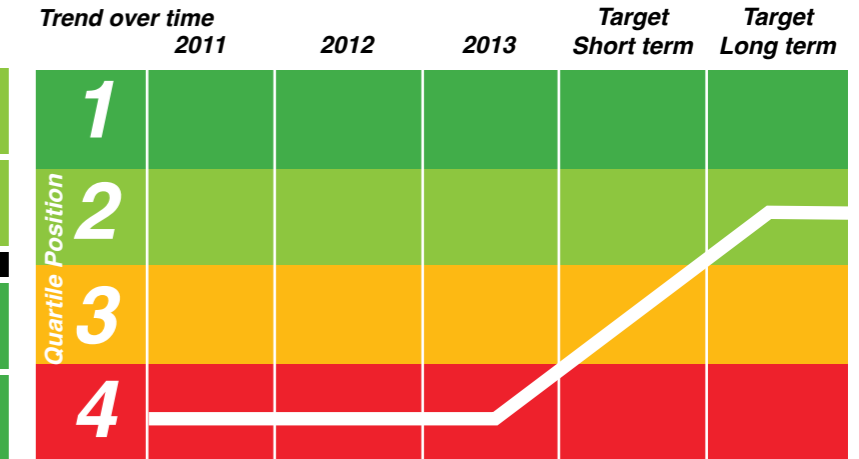
Voids



Customer Services



Our overall customer service has been assessed as medium cost and medium quality. In terms of cost, the way we do things is not as efficient as it could be, for example we have a range of customer enquiry telephone numbers. We have plans to expand the use of our Customer Service

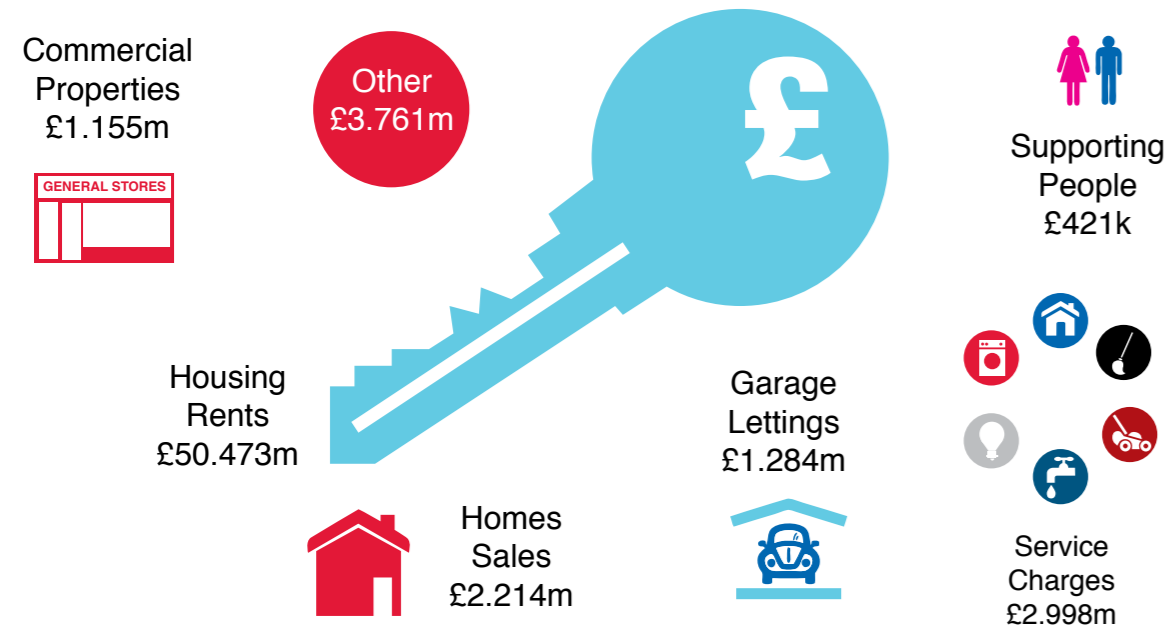


Centre, which is dedicated to taking repairs calls at the moment. Soon residents will be able to call one single PCH number to improve our overall customer service, and we will aim to deal with most enquiries there and then.

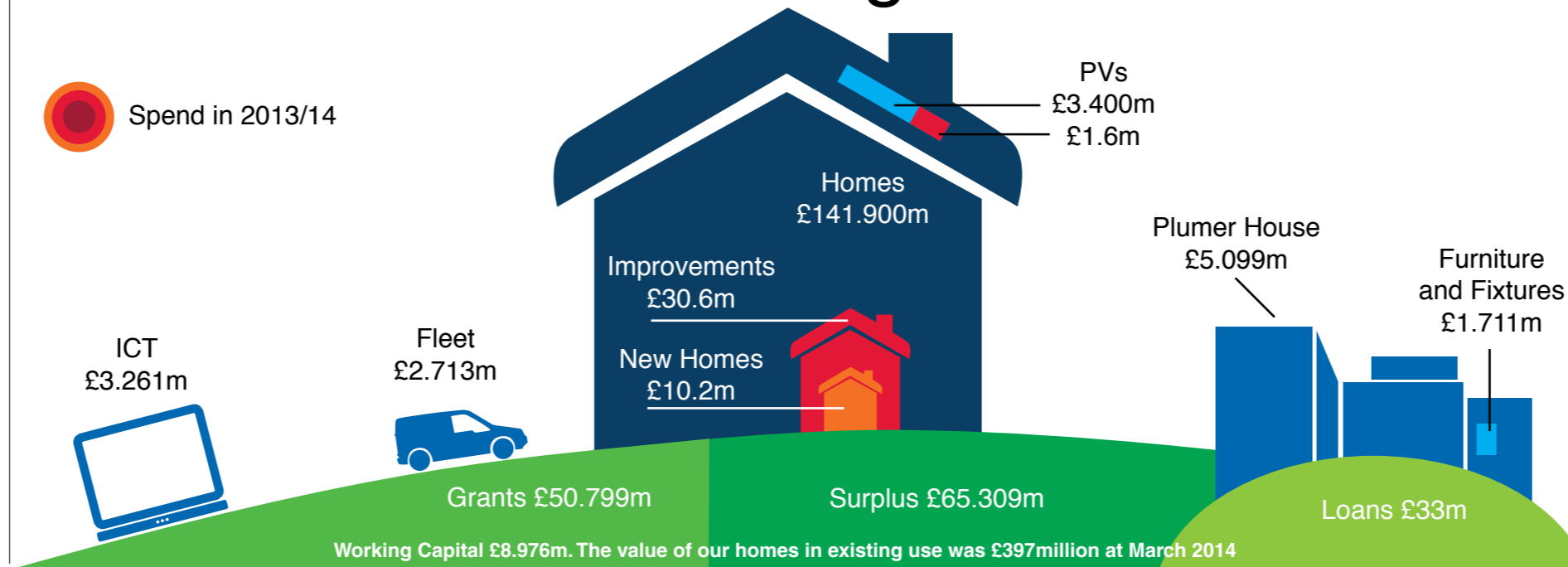
Our timeline...



2013/14 Income £62.306m

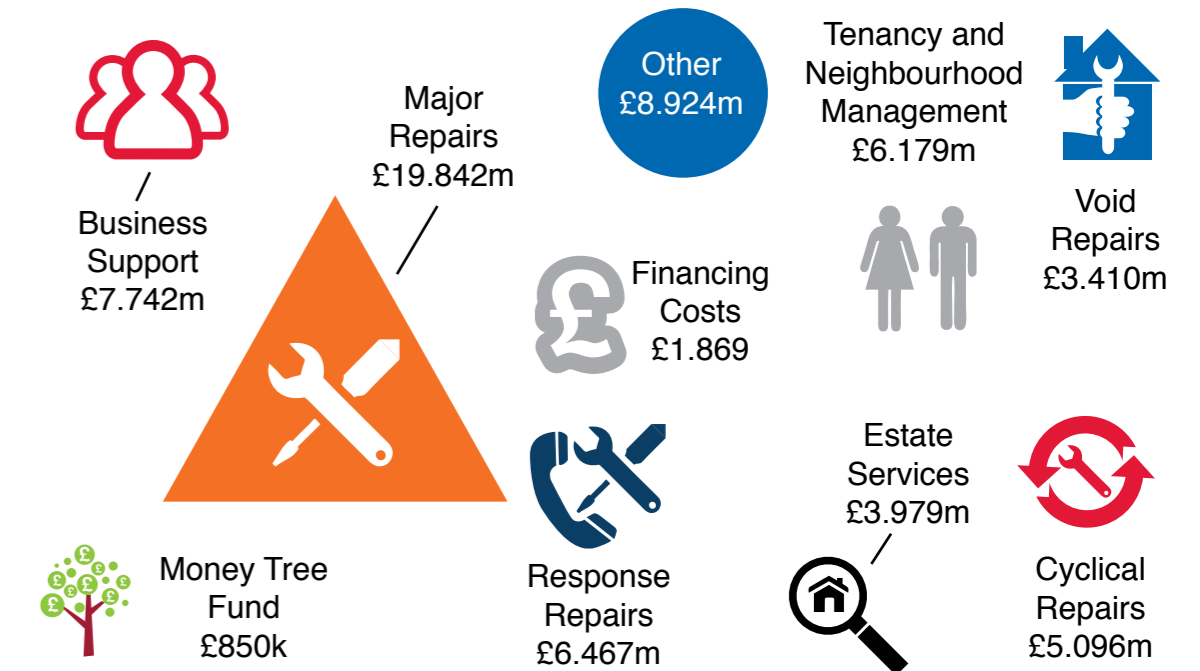


Our Assets & Funding at 31/03/2014



[Our Statutory Accounts can be found by clicking here.](#)

2013/14 Spend £64.358m



Objective Five

We will work with residents and other agencies to help our communities thrive



2013/14 saw the start of major changes to the welfare benefit system – that’s to say the introduction of the spare room subsidy or “bedroom tax” as it is more commonly known.

This means that residents in receipt of Housing Benefit who are underoccupying their home by one or more bedrooms have had their benefit payment reduced and have to pay the shortfall themselves. Council Tax Benefit is also considered to be affected in the same way – so some residents are faced with bills that they did not have to pay before.

There has been an immediate and positive response from residents affected by the “bedroom tax”. Residents are keen to work with our teams to minimise the impact of this significant additional cost. We have been able to help a few people choose and move to a smaller home. The majority have opted to try to “stay and pay”, and we have been active in working with them to understand and manage budgets in a way that makes this a possibility.

We have invested heavily to offer support for residents. Our Income, Rents and Financial Inclusion Team helps residents find a sustainable way to pay the rent, our Communities Team offer Learn for Free budget management training and our Financial Inclusion Officers have been working with residents to support them in managing their day to day finances. We have partnered with Barclays Bank – they provide a basic bank account with no overdraft facility that enables residents to pay bills (including rent) by direct debit and have access to a debit card.

Our thorough preparation and training ahead of the launch of “bedroom tax” paid dividends. The rent arrears outstanding at the end of the financial year were the lowest we ever achieved. Not only is this a clear financial benefit to PCH; vitally

it meant that financially vulnerable tenants had been helped to find new ways to manage their finances and stay securely in their homes. During the year, around £50million of rent is due from nearly 14,500 homes.

In preparing residents for changes to welfare benefits, we have worked alongside other organisations such as the Department for Work and Pensions, Job Centre Plus, Plymouth City Council, Shekinah Mission, Plymouth Foodbank and Recycling Plymouth. Without these strong partnerships, the impact of welfare

Arrears outstanding as a percentage of rent due	2010/11 Result	2011/12 Result	2012/13 Result	2013/14 Result	2014/15 Target
	3.21%	3.11%	2.97%	2.04%	2%

reform both on residents and our organisation would have been much greater.

As we move through 2014/15, we are preparing for the introduction of Universal Credit – this is an even more significant change for residents. All welfare benefits will be combined into one single payment, direct to the recipient. At present, Housing Benefit is paid straight Plymouth Community Homes – this will no longer happen with the introduction of Universal Credit. Residents receiving the housing element of Universal Credit

will be required to pay it to their landlord.

This means that it is even more important that we support residents in receipt of Housing Benefit. If you are in receipt of Housing Benefit, we will be in touch with you in due course, when we know the date that Universal Credit is being introduced in Plymouth. If you have any questions in the meantime, please do get in touch with us – our contact numbers are on the back cover of this document.

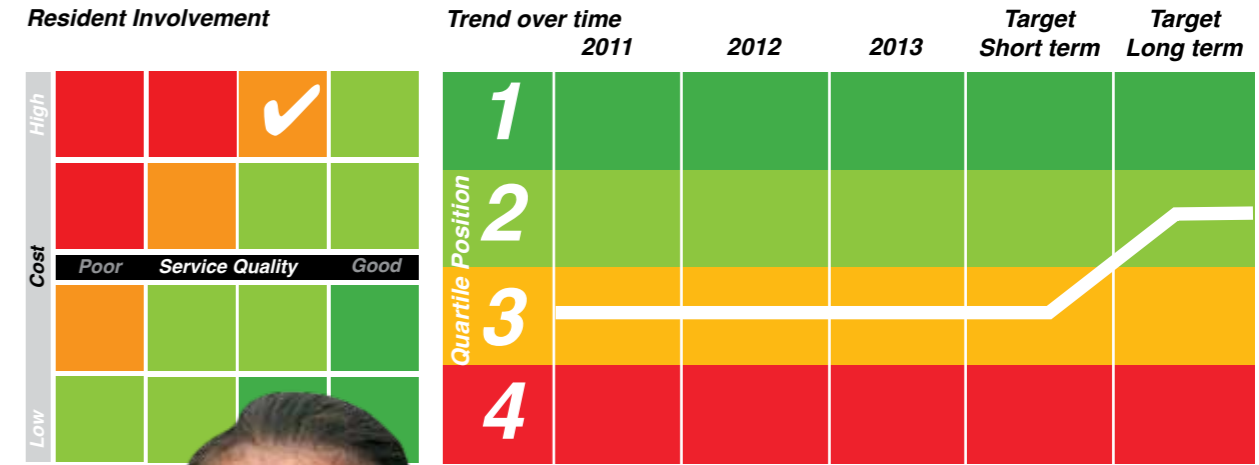
In the past year, PCH took the decision to formalise the ways that we involve residents in shaping and delivering services. This will be achieved through accreditation from the Tenant Participation Advisory Service or TPAS. Following an initial

self-assessment, we are working our way through an action plan which aims to bring our involvement activities up to the high standard set out by TPAS. We will be keeping residents up to date on progress on the PCH website and through our resident magazine In-Touch.

The project is based at the SPACE Centre in Ernesettle, which was set up by SPACE using buildings which belong to PCH. SPACE is the Strategic Partnership Assisting the Community in Ernesettle, whose members are PCH, Plymouth YMCA, Plymouth City Council Youth Service and Barefoot.

Over £320,000 has been awarded to a project which will help young people in Ernesettle. The Big Lottery’s “Reaching Community Fund” has awarded the money to the SPACE SHOT youth project, which is supported by organisations in Plymouth including PCH.

Over three years, the funding will be used to give 11-19 year olds in Ernesettle the chance to improve their health, lifestyle and to get involved in community events. An aim is to reduce levels of anti-social behaviour and increase levels of confidence and community engagement among young people in the area.



During 2013/14, community support and resident involvement has been focussed largely on talking to residents about welfare reform.

We have assessed this part of our service as high cost, medium high quality – the cost is high because of the PCH investment to ensure that we speak to as many residents as we can about a broad range of services. The quality is medium high because residents are mostly satisfied that we listen to their views and act upon them and we aim to improve our resident involvement service to high quality, particularly as we progress with the TPAS accreditation. We also plan to be more co-ordinated across the business, when seeking views to avoid asking same person the same question.



We will work in partnership with other organisations to reduce worklessness and contribute to the city's growth agenda

At Plymouth Community Homes, we spent £41million on goods, services and works over the last year in the local economy. It is really important to us that we spend our money within the local area to support job creation and stability.

During the past 12 months, a number of apprenticeships have been created by our contractors as a result of the work we do – which is a great way to give people the skills they need to get a job.

Our major works and development programmes have also created a significant number of jobs within the Plymouth area.

We are a member of the Plymouth Social Enterprise Network and we support social enterprises and community interest companies

where we can – for example we pay invoices to these types of business within 10 working days instead of the standard 30 days – and we operate as a social enterprise ourselves.

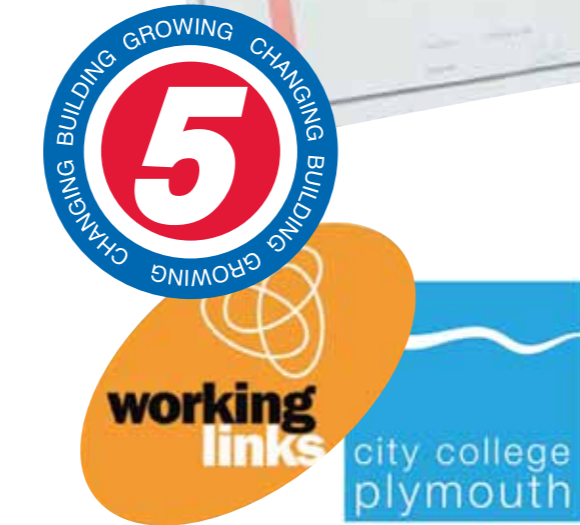
Sometimes due to circumstances, people fall on hard times and find it difficult to see a way through and we have also formed links with the Shekinah Mission, based in Stonehouse, to offer job coaching and mentoring to vulnerable people who are unemployed and looking for work.

We support the Whiteleigh, Devonport and Barne Barton job clubs which is an initiative led by a number of partners including Job Centre Plus, Working Links, City College and PCH and so is open to anyone in Plymouth who is looking for work.

The aim of the job clubs is to support residents in their search for work, to provide help with completing job application forms and to prepare applicants for job interviews. Within PCH we have also started to offer work experience placements to residents who have been unemployed for some time so that they can familiarise themselves with the world of work.

We also recognise the importance of encouraging children to learn and throughout 2013/14 some of our staff have been supporting local schools by helping pupils learn to read.

We are currently exploring how we can further best support local businesses, particularly small and medium-sized organisations, as well as creating employment



opportunities for residents. We are developing guidance that will help us increase our impact on the local economy through our buying power.



Objective Seven

We will ensure our business is strong and financially secure and our governance arrangements provide the highest levels of assurance



Excellent leadership and governance are key to the success of any organisation. At Plymouth Community Homes this means having a strong Board and Executive Management Team (comprising of our Chief Executive and four Directors) that works together to set the strategic direction.

One of the Board's key responsibilities is to ensure that everything we do offers good value for money to residents – this includes how much we spend on delivering services, how much money is borrowed against our assets to fund new investment, including new housing, what we do with poor quality housing stock and how much rent we charge (increases are capped by Central Government and PCH's rent is amongst the lowest in the country).

During 2013/14, we have taken steps to make our governance structure even stronger than before. This has meant reviewing the Boards and Committees that control the organisation and creating a new governance structure that reflects the association's priorities. We also took the decision to pay Board members a modest allowance – this was put in place to attract people with the right skills to be on the Board of a large and complex organisation. Allowance payments are performance-related and Board members are required to attend a certain number of meetings and briefings in order to receive the allowance.

Financially, our organisation remains sound and secure. Over the past year we have been putting plans in place to borrow money to fund our ambitious development programme. Our

Business Plan includes building 750 new homes over the next five years, this comes at a significant cost and we have to borrow the money to pay for the programme.

We have received all of the payments due to us from Central Government to fund the Decent Homes improvement programme. When we transferred the homes from Plymouth City Council in 2009, we were allocated government grants to bring every resident's home up to modern standards. When this programme finishes in March 2015, we will continue to maintain our homes at the Decent Homes Standard. We have been carrying out a new stock condition survey over the past few months, which will help us to understand how much is needed to spend on PCH homes and neighbourhoods to make sure they stay in a good condition.

The largest chunk of our income that pays for most of the association's running costs is the rent from our homes and our housing officers are working closer than ever with residents to ensure that we collect as much rent as possible. Our focus on working with residents to secure payment not only protects the association's financial status but it also helps people to maintain their tenancy.

The average PCH rent for a general needs home in 2013/14 was £67 per week or £268 per month. The average private rental home costs £611 per month.

When homes are empty, we lose the income due so it is important that every empty home is re-let as quickly as possible. We recognise that it has been taking too long to re-let

our empty homes, which means that rental income is lost and prospective PCH residents are waiting longer than necessary to move in.

Throughout 2013/14, we have made significant changes to the way we manage empty homes – we survey and advertise the property as soon as we receive notice that the keys are to be handed back. Once the keys are handed back to us, we start any repair work immediately.

These changes have been made all the more challenging because we also experienced an increase in the number of tenancy terminations due to the introduction of the spare room subsidy – or "Bedroom Tax".

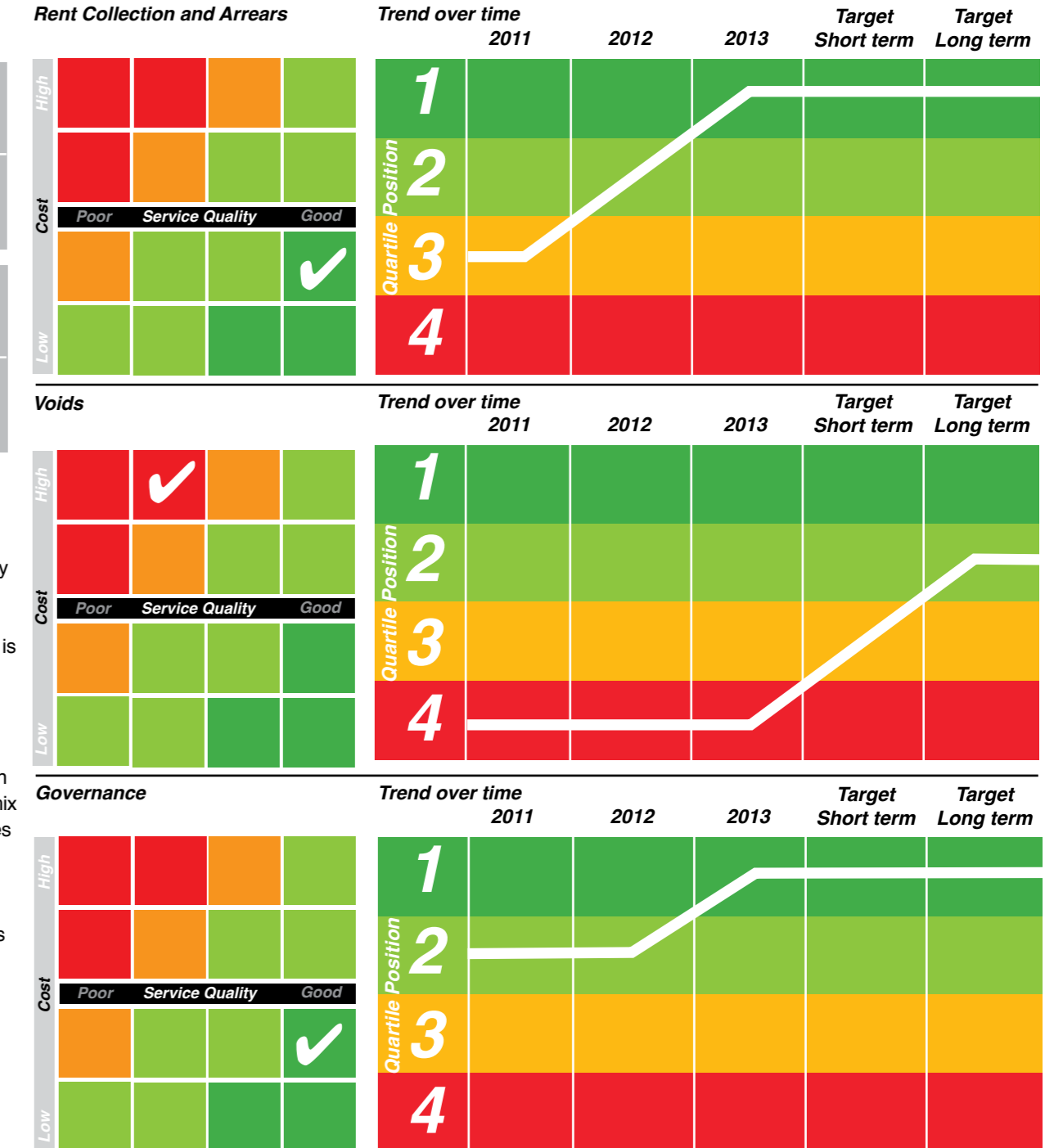
Current performance up to the end of June 2014 shows that the changes are having a significant impact and it now takes on average 19.5 days to re-let an empty home. Work will continue

Average number of days to re-let empty properties	2011/12 Result	2012/13 Result	2013/14 Result	2014/15 Target
	35.49 days	37.43 days	35.61 days	25 days
Average cost of repairing an empty property	2011/12 Result	2012/13 Result	2013/14 Result	
	£2,870	£3,238	£4,012	

throughout 2014/15 to maintain and further improve this performance.

The 2013/14 assessment for rent collection and arrears management is medium-low cost and high quality, and we want to sustain this level of performance. This has moved from a medium cost, medium quality rating in 2012 with a significant reduction in rent arrears, in spite of the introduction of "bedroom tax".

As already described, management of empty homes is high cost and low quality. The way we do things improved over the past year and is already demonstrating an improvement in the average time to turn properties around. We will further improve how we re-let empty homes and we are aiming for this service to be medium cost and high quality. The performance of our governance



Objective Eight

We will become more enterprising and invest surpluses in our communities

The housing sector has experienced exceptional change over the past few years, mainly fuelled by the recession and resultant austerity measures. In practice this means that grants for building more homes have reduced and for some organisations it has become more difficult to secure long-term borrowing from banks as they re-assess their lending criteria.

Because of these changes to funding we are looking into alternative ways to fund investments in services for residents.

We have two main areas within the business where we aim to generate surpluses – commercial lettings (shops) and the Manufacturing Service. We also expect to generate a surplus from income generated by the feed-in-tariff linked to our solar panels. However, this is a longer term investment and a considerable amount of the surplus will be spent on maintaining the solar panels themselves.

Across Plymouth, we own 171 shop units. We recognise that these shops provide employment opportunities within our neighbourhoods and essential community-based facilities such as pharmacies, post offices,

corner shops and much more. Therefore the rents we charge are favourable when compared to other commercial landlords.

During 2013/14 our shops generated a surplus of £1.15million, which has helped support PCH's overall services for 2014/15.

With our shops, we offer flexible lease terms and work actively with our commercial tenants to help sustain their businesses – in a similar way to how we support residents in their homes.

Over the coming year, we are putting an asset management plan in place for our shops to ensure that, where it is our responsibility, maintenance work is planned ahead and carried out in a timely fashion. This is to make sure that we protect the value of the asset,

as well as keeping the shop in a good condition and making more effective use of our budgets.

We have also reduced the amount of shop rent arrears and empty shop units. In fact, we have a waiting list of potential shop leaseholders. This creates competition and allows PCH to ensure the businesses provide the best fit for the location.

Our Manufacturing Service has been mainly focussed on delivering PCH's window and door programme, linked to meeting the Decent Homes Standard. This programme is due to complete during 2014/15 and so the team has been getting ready to take on projects for external clients. Because the vast majority of Manufacturing Services' work has been for PCH – and legally they are not allowed to make a profit from the



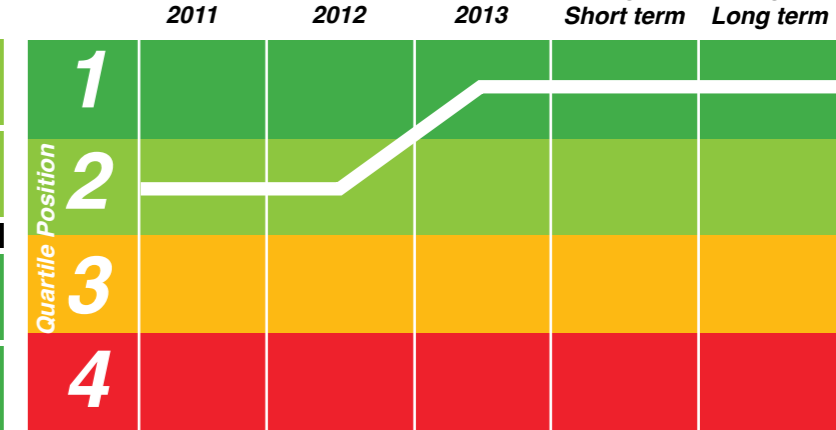
housing association – the surplus from external clients was small for 2013/14 at £13,000 but this is expected to increase as external work increases.

The value for money assessment for commercial lettings (shops) in 2013/14 has increased to low cost, high quality. Shop arrears and the number of empty units are very low. When shops become empty, they are let quickly. The team that manages commercial property is small yet effective – and they manage our leaseholder service in addition to commercial property. We aim to maintain this high level of performance.

Commercial Lets

High	Red	Red	Orange	Green
Cost	Red	Orange	Green	Green
	Poor	Service Quality	Good	
Low	Orange	Green	Green	Green with checkmark

Trend over time



Objective Nine

We will be creative in opportunities to enhance the wellbeing of residents and staff

In addition to the bricks and mortar we recognise that people are the major asset, that's to say our residents and staff.



Housing has a key role to play in everyone's health and wellbeing and we're planning to link with partner organisations to support healthier lifestyles for residents.

We sponsored the Herald's LoveLIFE campaign during 2013, which aimed to promote healthy lifestyle changes such as stopping smoking, losing weight and increasing activity levels. These are key health challenges in Plymouth and contribute to diseases such as diabetes. The initiative is now known as I Love LIFE and we are again one of the main sponsors for 2014.

PCH was also invited to join the Plymouth Fairness Commission which has made a number of recommendations aimed at supporting Plymouth's residents to enjoy improved health and wellbeing.



Within any organisation, staff sickness costs money, not to mention the impact it can have on delivering services. At PCH, we also recognise that people become unwell from time to time and need to be supported through their illness. Over the past year, we have put a new staff absence management procedure in place which is designed to support and encourage people back to work as soon as they feel able to do so.

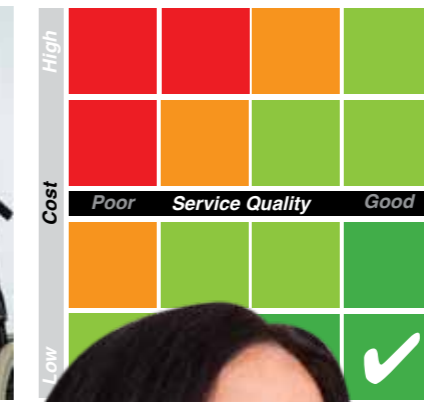
Following the implementation of this new procedure, our sickness figures have reduced dramatically from 11.33 days per person at the end of March 2013 to 7.05 days at the end of March 2014. This is better than the housing sector average of 8 days per employee.

We encourage everyone to have a healthy, active lifestyle. As part of this commitment we have opened a gym at Plumer House which will be available for staff and residents.

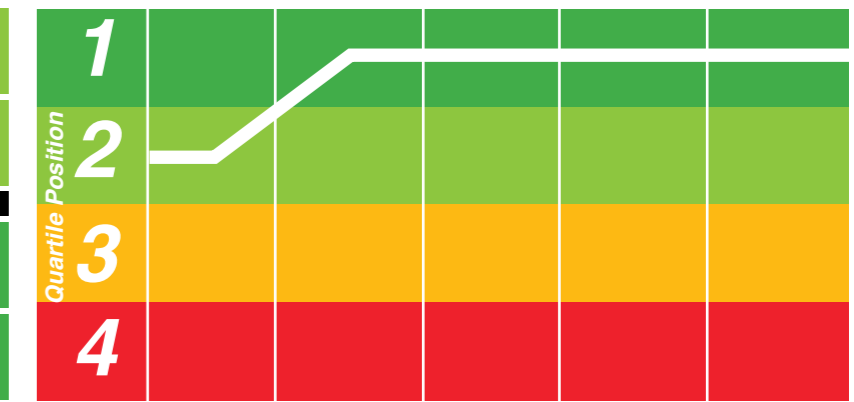
In the coming year we will be working with Public Health England and local health professionals to make the most of the health promotion opportunities that we can all bring about. One area that will be examined is whether there are ways of enhancing skills of housing staff as "health champions" – likewise, can health professionals be trained to spot housing issues? This project aims to make better use of the number of visits to PCH tenants, made by various professionals, in the interests of better personal support and higher efficiency. We will let residents know when the gym is open through the quarterly In-Touch magazine



Human Resources



Trend over time



The value for money assessment for Human Resources is low cost, high quality, which has been maintained from last year, which we aim to sustain. For 2013/14, the Human Resources function has worked actively with managers to reduce staff sickness absence and prepared to implement an online recruitment system whereby job applicants can apply for a job through our website instead of using paper forms.

The Learning and Development programme, which has a clear link to our business aims, was implemented in full and staff are more and more supported in delivering high quality and effective services for residents.



