

KINGSTON  
CHURCHES  
HOUSING  
ASSOCIATION  
*The Caring Professionals*

KINGSTON  
CHURCHES  
HOUSING  
ASSOCIATION

# Annual Report 2019

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# KCHA have grown steadily in size and now manage 275 units of housing

## About the Association

Kingston Churches Housing Association (KCHA) is a locally based housing association operating mainly in the Royal Borough of Kingston upon Thames, but with additional properties in Elmbridge Borough Council and the London Borough of Merton.

The Association was formed in 1964 and opened its first property in 1967. Since then we have grown steadily to our current size, and at the end of 2019 we owned and managed 275 units of housing. This is made up of a mix of general needs housing (for single people, couples, single parents and families) and sheltered housing for the elderly.

This figure includes 60 units of sheltered housing acquired by our merger with Wilberforce Housing Association completed at the beginning of 2011. It also includes two large properties formerly used for student accommodation, which have now been converted into 11 self-contained flats for intermediate rent.

Much of our housing consists of older properties that have been acquired and refurbished, but we also have some new build schemes including two consortium developments with other associations at Donald Woods Gardens in Tolworth, and California Road/England Way in New Malden.

In 2019 we delivered three new build family homes for intermediate rent in Surbiton.

The distribution of our housing units by local authority area at the end of 2019 was: Kingston – 201 units  
Elmbridge – 12 units    Merton – 62 units

## Code of Governance 2019

KCHA endorses the National Housing Federation (NHF) Code of Governance as revised and reissued in February 2015. This aims to support Federation members in having balanced, diverse and effective boards which lead and control their organisations and comply with legal requirements.

The Association strongly supports the nine principles of good governance set out in the Code and complies with its guidance in all respects, other than that one Board member has now served for longer than nine years. This is under review. It does not make payments to Board members.

Recruitment to board vacancies is open and transparent, based on merit and objective selection and assessment techniques. We carry out regular appraisal of the board as a whole and of individual members.



## Fundraising Appeal

We continue to receive generous donations to our Fundraising Appeal both from many of the Churches in Kingston and from individuals. The money has been used to help our work with those in priority need in Kingston and to contribute to our general tenants' welfare fund. Projects to date include:

- ▶ In 2015 we launched our new website to allow tenants to find out more easily about our work and plans for the future, to report repairs and pay rent online, and to let us know their views.
- ▶ In 2018 we doubled the budget to help our older and disabled tenants with decorations to their homes (all our tenants are normally responsible for their own internal decorations).
- ▶ The fund has helped us to maintain the community based alarms in our sheltered schemes for older persons in Kingston when other funding was withdrawn.
- ▶ It is also used for other ad hoc improvements agreed in consultation with tenants. For example, in 2018 we installed new carpets to all the communal areas of our Merton sheltered Schemes and refurbished all of the guest rooms.
- ▶ In 2019, as part of our strategy to combat isolation and get to know our tenants better, over £10k was spent on tenant engagement activities. These activities included a seaside trip for our sheltered residents, family outings to Chessington world of adventures and Kew gardens and chartered boat trips along the Thames.

There are many more opportunities like this to help our work. So thanks to all the Churches and individuals who have given so generously to date – but if you would like to contribute to our continuing Fundraising Appeal please contact us directly.



# Review of the Year

2019 has been a year of stability and measured growth for KCHA, but the wider housing sector has seen some significant changes, particularly in leadership with both Homes England and the National Housing Federation. Also, we now have a new Prime Minister with a majority government. The sector needs to forge strong relationships with government so that we can fulfil our purpose. It is good to report that despite there being a high level of housing sector and political uncertainty, KCHA has been 'getting things done.'

The 1% rent reduction in social housing continued to apply to all our social rented properties for 4 years, but will revert back to CPI plus 1% from May 2020 for a minimum of 5 years. Whilst this will mean only a small increase in rent to each of our tenants, it ultimately gives us the financial confidence to be able to invest in our current stock, continue to improve our overall services to residents and plan our ongoing growth as the Association increases its portfolio of decent affordable housing.

KCHA will continue to keep you updated on the voluntary 'Right to buy', for which the detail still has not been finalised. Full rollout of Universal Credit has been pushed back to 2024, although we have a small number of tenants who have already migrated to it. We continue to support all existing and new tenants in a variety of ways to manage all types of welfare reform.

On the home front, we carried out our annual programme of cyclical decorations and associated repairs, which now includes window replacements at the same time. Following

the programme to install new bathrooms in all of our sheltered properties, we have rolled out the programme to include all of our general needs properties, completing 39 by the end of the year. This had been identified by tenants as the top choice for future improvements.

It has now been almost three years since the tragic events at Grenfell Tower and fire safety remains at the top of the agenda for social housing. In 2018 we commissioned new detailed fire risk assessments (FRAs) in our properties and completed works arising from the recommendations. The feedback continues to be very good from the relevant fire safety authorities, and we regularly review the FRAs to ensure the health and safety of our tenants and visitors. Our next FRAs will take place in 2020. In addition to this our health and safety consultants carry out monthly visits to our properties with shared communal areas and our fire alarms are tested quarterly.

In May 2019 we successfully completed the development 'Progress Mews' which comprised three new family homes for affordable rent on land at the rear of one of our existing properties in Surbiton. In under a year, and aided by some excellent dry weather, we delivered three new homes comprising two 2-bed houses and one 3-bed house with gardens and designated off street parking. This was our first infill project and was built upon the site of our first ever Association property, 22 & 24 The Avenue. The development homes were officially opened by local MP, Sir Ed Davey, on the 12th June 2019 where he described the development as "setting new standards in social affordable housing." This is the first new build development we have managed in over 20 years and signals KCHA's appetite for controlled growth and our commitment to being part of the solution to the widely accepted housing crisis.

Using in part a generous legacy from a previous tenant we have modernised the communal lounges at our sheltered

housing schemes in Wimbledon and Raynes Park. The lounges are valued by residents and play host to a number of activities for both residents and staff, one of which is the regular quiz nights that have been well attended and proved extremely popular. The overall appearance of the schemes has been greatly improved and the next step is to look at communal area decoration.

2019 also saw the first year of our successful tenant engagement program, where a significant amount of time and resources were made available for us to get to know tenants away from the confines of their homes and the KCHA office. Entertainment included: riverboat cruises; Chessington world of adventures; a seaside trip; the theatre; places of historical interest and a wonderful evening at Kew Gardens to see the seasonal illuminations. These events were held at more convenient times for tenants and their families, including evenings and weekends, and the only cost for attendance was giving feedback on our services and ideas on future improvements. The response from this program has already resulted in better services, reduced isolation and improved satisfaction.

Knowing the importance our tenants place on repairs, we aim to provide a high quality maintenance service for them. During the year we continued to provide an excellent service on responsive repairs, far exceeding the targets for completion times (see performance information, page 6).

As well as keeping their homes in good repair, we know that another high priority for our tenants is the ability to have peaceful enjoyment of their homes. We dealt with a number of neighbour disputes and complaints of Anti-Social Behaviour over the year, most of which were effectively resolved, with two continuing to be investigated.

Overall rent arrears reduced from 3.9% to 3.7% of gross rent receivable at the end of 2019, most of which were debts owed by current (as opposed to former) tenants. To continue to try to keep this figure as low as possible, especially now that Universal Credit claims are increasing, we have trained all staff on the practical impact and theoretical implications of welfare reform. Tenants can pay rent securely over the phone, via our website [www.kcha.org.uk](http://www.kcha.org.uk) or in person at the office. Those who pay online or over the phone have commented on how easy it is and appreciate the immediate digital receipt.

In May 2019 the Board held a successful Awayday seminar, where they contributed to refreshing the Risk Strategy. They also considered and agreed parameters for future growth, a theme which they have discussed at subsequent meetings and something that will remain as a high priority for us.

During the summer of 2019 we carried out a full tenants' satisfaction survey, as we do every three years as standard practice. Overall we were pleased to see that most of our key indicators had improved, significantly in a number of cases, and overall satisfaction was at its highest since the surveys began. After taking time to study the final report we concluded that there was still reasonable room for improvement and set up a joint board and staff working group to focus on the main areas, namely listening and acting upon tenants' views and the condition of communal areas.

On the staffing front, there were no changes to office team or sheltered scheme managers. The combined total years the senior management, of three, have been with the association is 45 years. This demonstrates the staff's commitment to the Association and its tenants and highlights the Board's commitment to taking good care of the staff and ensuring staff retention and continuity. Housing Assistant, Sophie Mselle, reduced her hours and now works two full days per week on Monday and Tuesday and the remaining three days are now covered by housing consultant, Trudi Vine.

We successfully recruited two new additions to the Board of Management with Anna Chew and Martina Brown joining as of September 2019 following attending a minimum number of meetings as observers. Anna is a Senior Planning Manager and her experience will be invaluable as we prioritise our growth and development strategy. Martina works as a Housing Operations Manager for a larger Association and can provide detailed scrutiny and alternative options for our housing management and operations. The Board now stands at nine members, just one short of our optimum number, which we hope will be filled by one of our tenants shortly. It is always our intention to have a least one tenant member serving on the Board, but they are not there as a tenant representative and must also demonstrate the skills required.

In line with regulatory requirements, the Board carries out a full Board Appraisal and a Skills Audit in alternate years. The last Appraisal was carried out in 2019 and the next Skills Audit will take place at the end of 2020.

Last year I reported that there seemed to be no end to the uncertainty caused by the ongoing Brexit story, and whilst this continues to have an impact on an already volatile housing sector, at least there is now some degree of certainty. Housing does not appear to be high on the government's agenda at the moment, but with Sir Edward Lister (former Chair of Homes England 2016-2019) being one of Boris Johnson's key advisers, there is no better time to make our voice heard, now that central government has stabilised all its key ministerial positions.

At the time of writing, we are currently in the middle of a global pandemic owing to the Covid-19 coronavirus, the country is in lockdown and many of the basic freedoms that can so often be taken for granted have been removed or altered. We are proud to say that our staff have remained resolute in ensuring any disruption to normal service has been kept to a minimum, and we are working as flexibly as possible to keep in regular contact with everyone. I also want to thank each and every one of our tenants for their patience and willingness to work with us during such a challenging period.

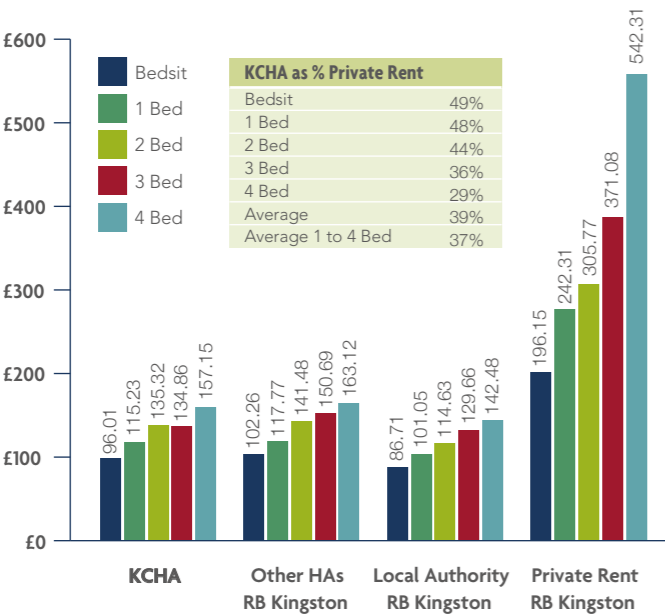
The Association and its tenants continue to be well served by a loyal and dedicated staff and Board, which allows us to face the future with great positivity.

**Glennis Beresford-Bevan**  
Chairman

**Rosscoe Brown**  
Chief Executive

# Performance Information 2019

## RENT Weekly rent comparisons



KCHA and Other HAs figures show gross rents inclusive of service charges eligible for housing benefit, but now exclude supported housing and housing for older people.

LA figures include sheltered housing and houses in multiple occupation but exclude leased properties, service charges, heating and hot water and premiums re: scheme manager facilities, and are for 2018/19.

Figures for Other HAs are taken from the Regulator of Social Housing Statistical Data Return 2019.

Figures for Private Rents are taken from the Greater London Authority (GLA) "London Rents Map" using median values from Valuation Office Agency (VOA) data as at 31st December 2019.

KCHA rents for 1 bed to 4 bed properties are approximately 37% of those for equivalent private rented properties.

The average (median) house price in 2019 in RB Kingston was £490,000. The median annual earnings in 2019 were £38,272, while the income required for 80% mortgage in 2019 was approximately £90,000.

(Figures for house prices from: data.kingston.gov.uk as at March 2020, Figures for Annual Earnings: ONS April 2019, figures for Mortgage income requirement based upon salary multiplied by 4.5).

## Rent arrears and voids

	2019	(2018)
Rent Collected as a % of Rent Receivable	97.7%	(98.2%)
Arrears (Current & Former Tenant) as a % of Rent Receivable	3.7%	(3.9%)
Void Losses as a % of Rent Receivable	0.4%	(0.4%)

## How each £ of the rent is spent



## REPAIRS & MAINTENANCE

	No. of jobs completed	No. of jobs completed in time allowed	% completed in time allowed
<b>Code E – Emergency</b> <i>These should be dealt with immediately or in any event within 24 hours</i>	18	18	100%
<b>Code U – Urgent</b> <i>These should be dealt with within 5 days</i>	379	374	99%
<b>Code R – Routine</b> <i>These should be dealt with within 28 days</i>	327	321	98%
<b>Code 0 – Other planned works</b> <i>To be completed within 3 months</i>	59	59	100%
<b>TOTAL</b>	<b>783</b>	<b>772</b>	<b>99%</b>

## LETTINGS

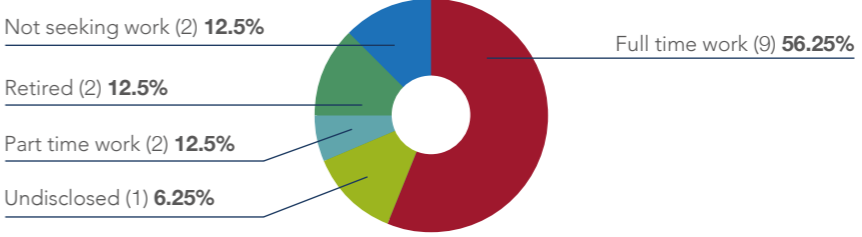
CORE lettings data provided by Housing Figures, National Housing Federation

Total number of lettings	16
Average letting time for vacant units (excluding major refurbishments)	16 days (2018: 19 days)

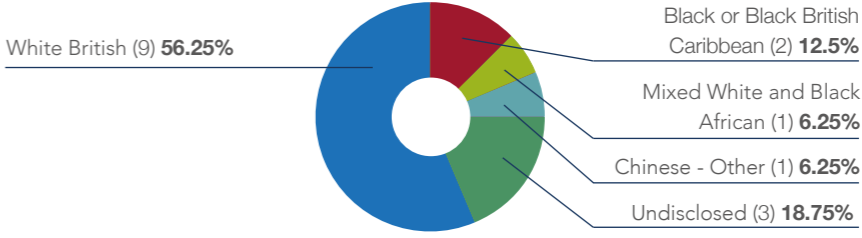
## Source of referral



## Economic status of tenant



## Ethnic group of tenant



## Qualifies for Housing Benefit

Mean Net Weekly Income of Tenant or Tenant and Partner £500.06 (2018: £367.93)

	No.	%
Yes	6	37.5
No	9	56.25
Not known	1	6.25
<b>TOTAL</b>	<b>16</b>	<b>100</b>

# Treasurer's Report 2019

## Turnover

The turnover for the year ended 31st December 2019 increased by £14k to £1,864k (2018: £1,850k). 2019 was the fourth year during which the designated 4 year period of 1% rent cuts took place, however the 3 new houses in development were let part way through 2019 hence income has increased overall.

## Operating costs

Operating costs increased by £31k to £1,433k (2018: £1,402k). This is an increase of 2.2%.

The expenditure for all categories of I&E repairs was £701k (2018: £673k). The expenditure on completion of the development of three new infill dwellings was £507k (2018: £358k) and expenditure on improvements to existing properties required to be capitalised was £315k (2018: £237k). The total cost attributable to all categories of repair to existing properties, whether or not capitalised, and development of new properties was £1,523k (2018: £1,268k).

Rent loss from bad debts is shown in the accounts as £6k (2018: £9k). This provides for rents not paid at the year-end that we may not recover.

## Financing and treasury management

The majority of our long-term loan is with the Halifax Bank of Scotland (HBOS) and is based on an approximate split of 50% fixed and 50% variable rates. These terms reduce the risk from fluctuating interest rates. Interest cover for the year was 1342% (2018: 1225%) and is very much higher than the 110% stipulated under the loan covenants.

## Surplus for the year

Our surplus for the year decreased by £12k to £399k (2018: £411k) due largely to the effect of rent charges decreasing, as required, compared to a small percentage increase in expenditure. The presentation of the statutory accounts has changed for 2019 as required regarding the past service pension deficit. This means that an additional net £8k of adjustments relating to this provision has the effect of reducing the total comprehensive income for the year to £391k.

## Balance sheet

Asset costs increased during the year by £733k. This included £507k costs for three properties under development which were started in 2018. There were £315k of improvements to existing properties during the year (2018: 237k) and the elimination of £89k of fixed assets components which have been replaced (2018: £114k).

The biggest category of improvement in 2019 was replacement bathrooms, which were highlighted in our previous tenant satisfaction survey as being a priority, where £196k was spent. We spent £44k re-modelling two of our older persons bedsits into a one bed flat, £29k on new boilers and £46k on various cyclical improvements including windows.

Total debtors at the year-end were £77k (2018: £82k). Debtors relating to rents decreased to £64k (2018: £85k), and after deducting the provision for bad debts it was slightly higher at £38k (2018: £36k).

Cash stated at £2,602k confirms the Association's strength in a very uncertain economic period to meet our immediate creditors and to continue to invest in our existing housing as well as looking for opportunities to develop new homes.

## Summary

In 2019 the Board will use the financial strength of the Association to continue to improve our existing properties as well as looking at further opportunities for development in the future.

## Lynn Boyd

Finance Manager

	2019 £000's	2018 £000's
<b>Income &amp; Expenditure</b>		
<b>TURNOVER</b>	<b>1,864</b>	1,850
Operating Costs	(1,433)	(1,402)
Other Income	1	3
<b>OPERATING SURPLUS</b>	<b>432</b>	451
Surplus on Sale of Fixed Assets	-	-
Interest Receivable	19	18
Interest Payable	(52)	(58)
<b>SURPLUS ON ORDINARY ACTIVITIES</b>	<b>399</b>	411
Initial recognition of multi-employer defined benefit scheme	19	-
Actuarial losses in respect of pension scheme	(27)	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	<b>391</b>	411
Revenue Reserves brought forward	7,362	6,951
<b>REVENUE RESERVES CARRIED FORWARD</b>	<b>7,753</b>	7,362

## Balance Sheet

<b>FIXED ASSETS</b>	<b>12,098</b>	11,562
<b>CURRENT ASSETS</b>	<b>2,779</b>	3,143
<b>CREDITORS:</b>		
Amounts due within one year	(407)	(487)
<b>NET CURRENT ASSETS</b>	<b>2,372</b>	2,656
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>14,470</b>	14,218
<b>CREDITORS:</b>		
Amounts due after more than one year	(6,549)	(6,856)
<b>PROVISIONS FOR LIABILITIES</b>	<b>(168)</b>	-
	<b>7,753</b>	7,362
<b>CAPITAL &amp; RESERVES</b>		
Share Capital	-	-
Revenue Reserves	7,753	7,362
	<b>7,753</b>	7,362

*The above is an extract of the audited accounts of the Association for the year ended 31st December 2019, on which our auditors expressed an unqualified opinion. A full copy of the accounts is available on request.*

# The Staff at 31 December 2019



**Rosscoe Brown**  
CIHCM  
Chief Executive/Secretary



**Calum Roger**  
Housing Officer



**Lynn Boyd**  
BA Hons, ACCA  
Finance Manager



**Sophie Mselle**  
Housing Assistant



**Karen Hart**  
CIHCM  
Housing Services Manager



**Sharon Lock**  
Accounts Assistant

- Alex Draper**    Consultant Surveyor
- Pat Faulds**    Sheltered Manager, Broughton House/Thornton Lodge, Wimbledon
- Ann Longden**    Sheltered Manager, Wilberforce House, Raynes Park
- Karen Toland**    Sheltered Manager, Torrington, 20 St Mary's Road, Long Ditton  
104 Westbury Road, New Malden



# The Board of Management at 31 December 2019

<b>Glennis Beresford-Bevan</b>	Chair	Editor	Joined September 1999
<b>Sam Spencer</b>	Vice Chair	Business improvement adviser	Joined September 2017
<b>Bob King</b>	Treasurer	Chartered accountant	Joined February 2011
<b>Erhire Akpovrare</b>		Operations manager	Joined September 2016
<b>Suzanne Barrows</b>		Housing association head of policy	Joined September 2016
<b>Chris Nicholson</b>		Financial adviser	Joined September 2016
<b>Anna Chew</b>		Senior Planning Manager	Joined September 2019
<b>Martina Brown</b>		Housing Operations Manager	Joined September 2019
<b>Ross Brown</b>		Association Chief Executive	Joined February 2018





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*Registered with charitable status under the Co-operative  
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Registered with the Regulator of Social Housing - No L0891.  
Member of the National Housing Federation.*



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