



Providing quality community housing
across Northern Ireland

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Vision Statement

“Tenants first and foremost”

Core Values

- Listen to, and communicate with tenants, staff and stakeholders in a timely, accurate, understandable and respectful manner.
- Understand the value of effective and efficient business processes to bring about positive results.
- Foster an environment that promotes personal and corporate innovation, sharing and maximisation of resources together with a desire for team work.
- Be open to change and flexible in attitude.
- Acknowledge that respect, integrity, trust and fairness are fundamental to personal, tenant and inter-agency relationships.
- Value a culture where everyone is involved, accountable, respected and appreciated.
- Aim to perform at the highest level of competence and take pride in accomplishment.
- To operate at the highest standards of governance and probity.



Chair and Chief Executive Statement

Richard Redman
Chairman
South Ulster
Housing Association

Kieran Matthews
Chief Executive
South Ulster
Housing Association

We are delighted to present this year's annual report for South Ulster Housing Association. The year under review 2015-16, year 3 in our 5 year corporate planning cycle, has been another excellent year for our Association.

In January 2014, the Association achieved a 'satisfactory assurance' rating from the DSD Round 3 inspection which in effect allowed the Association to be re-admitted to the Social Housing Development Programme (SHDP). In 2015-16 our internal auditors carried out a programme of audits and the results confirmed continuance of the significant performance improvement demonstrated by the Association.

We have had a successful year in delivering on our business improvement plan and that success has been achieved through the hard work and support of staff, business partners, the Board of Management and other stakeholders.

Building on the successes of 2015-16 the Association looks forward, with confidence, to delivering more homes and providing all our tenants with the highest possible standard of service.

This report sets out our performance in 2015-16 measured against the business objectives and targets set at the beginning of the year. Our financial performance was strong and we delivered an operating surplus on ordinary activities of almost £1m. In addition to the surplus there was an actuarial gain in respect of the pension scheme that added a further £148k to the surplus. Turnover for the year was £5.7m, loan interest paid just over £1m and property loans outstanding at year end stood at £20.6m. We operated comfortably within the Covenants contained within the loan facility agreements with our private funders.



Efficient financial management has allowed the Association deliver excellent services to tenants that included improvements and major works to properties throughout the year at a cost of £500k. This work contributed to achievement of our corporate objective of improving neighbourhoods and maintaining our reputation as a leading provider in social housing.

The Association exceeded response time targets and achieved high levels of satisfaction with the work completed. Overall performance against Corporate Plan KPI's has been strong and our planned maintenance works programme was completed within budget and on time. Most importantly, our tenants were very satisfied with the contractor and the work carried out. The total number of properties over the last 3 years (2013/14 through 2015/16) benefitting from planned and external cyclical maintenance and other minor works is 579, representing circa 55% of the Association's housing stock. In the year ahead a further £550k will be invested on Planned Maintenance works focussed mainly on kitchen, bathroom and heating replacements.

In 2015-16 the Association processed just over 5,000 repair orders spending over £400k to meet our service provision to tenants. Over 500 quality assurance checks were carried out on completed orders to ensure that work is carried out to the appropriate standard and to the satisfaction of tenants.

Continuing our commitment to ensuring that tenants can continue living in their homes the Association carried out disabled adaptation work on 22 properties in 2015-16.

The Association is pleased to have worked, throughout the year, in partnership with Praxis Care, Northern Ireland Association of Mental Health (NIAMH) and Craigowen Housing Association who provide housing to Camphill Communities. It reflects the Association's commitment to supporting the provision of care in the community.

Turnover
£5.7m 2015/16

in improvements
and major works
£547k to properties



6 days

Average re-let period

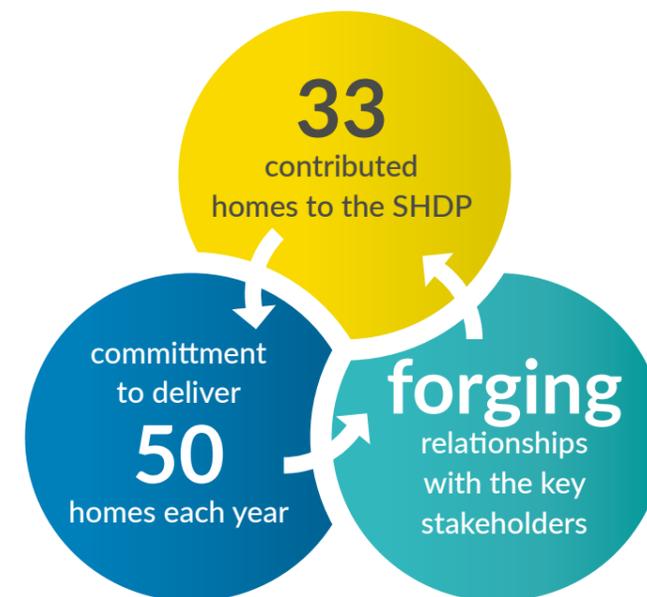
The Association's housing management worked effectively over the year to sustain tenancies, allocate void properties on a timely basis, maximise rental income, minimise arrears and strengthen our relationship with our tenants.

Our average re-let period was 7 days resulting in a rental loss of just 0.18% of annual rent and rates receivable. We further developed our tenant engagement strategy in working closely with the Tenants' Forum to facilitate effective tenant contribution to our work. Other initiatives included, completing property inspections across our housing stock, provision of a tenant training programme in partnership with WADE training and working closely with the PSNI and other community groups on ways to reduce Anti-Social Behaviour.

It is gratifying that 96% of the tenants surveyed indicated that they would recommend the Association as a landlord. In areas where we did not achieve the target set we have developed an action plan to bridge the gap. The Association continued to deliver a strong performance across all performance indicators compared to all NI Registered Housing Associations.

This year the Association contributed 33 homes to the Social Housing Development Programme (SHDP), providing much needed homes and we are committed to consistently deliver a minimum of 50 homes each year for the Association and our future tenants. The delivery of much needed homes will be

96%
of the tenants surveyed would recommend the Association as a landlord



through the acquisition of existing satisfactory properties, new off the shelf properties and through the development of traditional new build schemes. To meet our goal of delivering social housing we have continued to forge effective working relationships with key stakeholders.

The Association values its staff and thanks them for their hard work and dedication throughout the year.

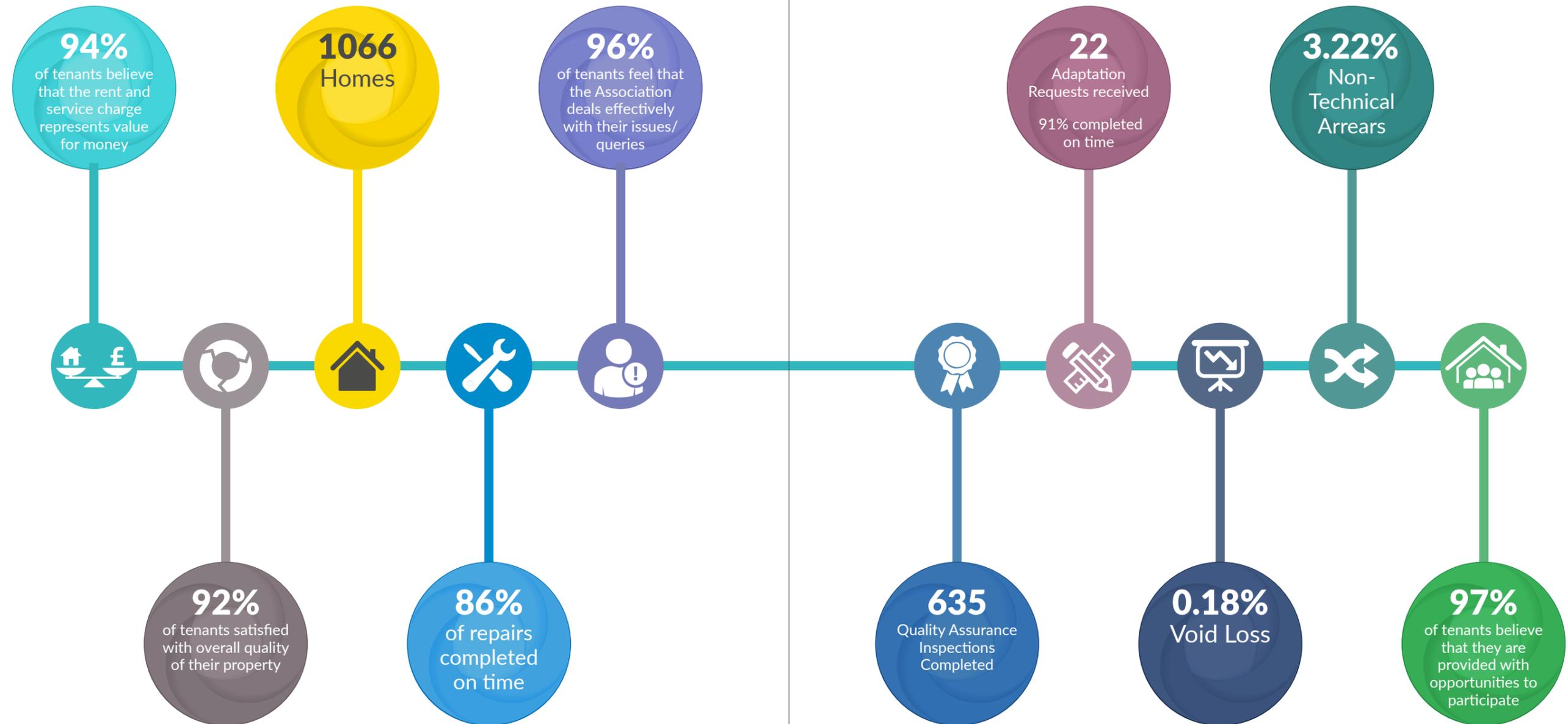
As we look ahead there are challenges, in particular the need to manage the impact of welfare reform. We will be required to do more with less, to diversify and to take on and manage more risk. The Association will need to adapt to meet tenant expectations in the changing economic environment whilst remaining clear on our social objectives. We will do the things we are good at and thoroughly risk-assess new ventures. We are committed to growth and seek to be a valued provider of choice for people in housing need and we will continue to support our tenants through the radical changes to benefits which lie ahead. We will continue to take steps in achieving value for money and are committed to continuous improvement through the professionalism and dedication of our staff.

Despite the challenges it has been another successful year for South Ulster. We are in good financial shape and are prepared for the challenges and opportunities which lie ahead.

Our Board and management team have the skills and experience to make decisions which are in the long term interests of all our tenants and other stakeholders.

2015-2016 Highlights

SOUTH ULSTER HOUSING ASSOCIATION





High Quality Service Provision

HOUSING MANAGEMENT REPORT

HIGH QUALITY SERVICE PROVISION

At South Ulster Housing Association our aim is to place our tenants first and foremost. To succeed in achieving this aim, we ensure that the services provided to all our tenants are at a consistently high standard and tenant engagement is fundamental in achieving and maintaining this standard.

HOUSING MANAGEMENT REPORT

Our Housing Management report shows our exceptional performance throughout 2015 – 2016 and illustrates the high standard of service provided with a commitment to continue to deliver such exacting standards.

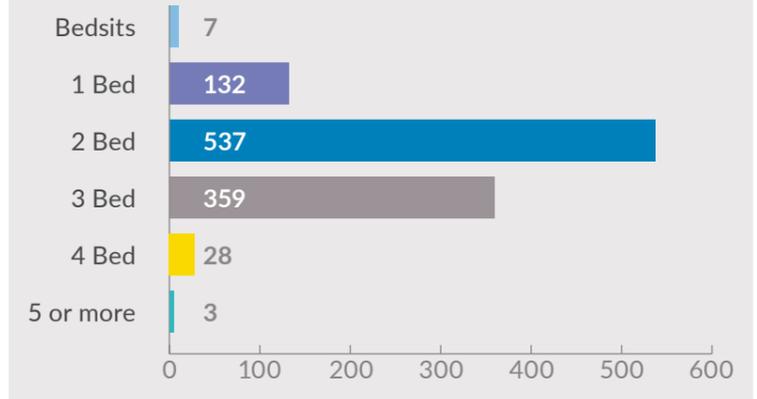
Rent Collection from
1st April 2015 to
31st March 2016

Rent Charged:
£4,745,176

Rent Collected:
£4,747,800

100.05%

Housing Stock



Allocations 2015 – 2016

112 properties were allocated in 2015/2016 and the Housing Department recorded a strong performance on rental loss through void properties achieving 0.18% of annual rent and rates receivable and exceeding corporate target of 0.25%.

(available for letting) @ 31st March 2016

2 voids

| | |
|---------------------------|---------------|
| General Needs Allocations | 110 |
| Direct Exchanges | 2 |
| No of new lets allocated | 20 |
| No of re-lets allocated | 90 |
| Average Void re-let time | 7 days |



High Quality Service Provision

HOUSING MANAGEMENT REPORT

Arrears

At 31st March 2016, the Association had current and past tenant arrears totalling £167,968 (including £112,000 of technical income due from Housing Benefit).

| | Non-Technical | Technical | Total |
|-------------------------------|---------------|-----------|----------|
| Current Tenant Arrears | £41,081 | £112,000 | £153,081 |
| Past Tenant Arrears | £14,888 | - | £14,888 |
| Total Arrears | £55,968 | £112,000. | £167,968 |

The Housing Department has worked effectively to maximise rental income and minimise rent arrears and exceeded both the DSD targets and corporate target for both technical and non-technical arrears. The Association acknowledges that some tenants may find it difficult to pay their rent and would request anyone in such a position to contact the Housing Department for advice and assistance as soon as possible.

Supported Accommodation

South Ulster Housing Association is pleased to report an increase in the provision of supported accommodation in partnership with PRAXIS and our continued involvement with NIAMH to provide a comprehensive support service to our residents in our joint managed schemes.

The Association provided 50 units of supported accommodation in the Craigavon and Newry & Mourne areas. Support is provided to residents throughout their tenancy to develop the necessary skills to maintain their own accommodation within a community setting.

Support offered to residents includes money management, accessing training, education and employment, harm reduction services, addiction services, activities to increase confidence and housing advice.

Tenant Engagement Report

South Ulster Housing Association is committed to ensuring that tenants receive the best service possible by engagement with tenants at every opportunity, monitoring levels of tenant satisfaction and providing a range of platforms for tenants to engage and provide appropriate feedback on provision of services.

Tenant Participation

South Ulster is committed to tenant participation in all its areas of work. Tenant participation is a two-way process involving sharing of information and ideas where tenants are actively involved in the decision making process. At South Ulster Housing Association, we recognise that tenant participation gives tenants greater influence in the Management decisions and processes that affect them. There are a number of different methods for tenants of South Ulster Housing Association to be represented from scheme level to Board of Management by becoming a tenant representative or a tenant survey participant or joining our Tenants' Forum which is the platform used for electing a tenant onto the Association's Board of Management.

If you would like further information on tenant participation or would like to get involved

please contact us on 028 3833 9795 or email housing@southulsterhousing.org



Tenant Projects

South Ulster Housing Association in partnership with WADE Training have secured funding for 3 years to provide training to tenants. The aim of the training is to promote sustainable and quality employment and support labour market mobility by addressing social inclusion, promoting independent living and providing employability skills and financial capability.

This programme has the following objectives:

-  Combat poverty and reduce economic inactivity
-  Enhance social inclusion
-  Increase skills base

The “Best Kept Property Scheme” was launched in 2015. This programme identified properties that are being maintained to an exceptional standard and tenants were rewarded with a DULUX Voucher in recognition of their contribution to maintaining their property. In addition to this, all tenants have the opportunity to avail of discounted DULUX paint, wall coverings and decorating materials as part of this scheme.

South Ulster Housing Association recognises the benefit of developing partnerships with external organisations to provide additional housing related support to our tenants who require it. APAC is one organisation that provides a floating support service to the Association’s tenants. The floating support service is a flexible, free service that provides housing related support. It aims to help tenants who are experiencing difficulties in maintaining their tenancy with the Association APAC works with people to help address problems that have led to difficulties with their neighbours and wider community and to help sustain their tenancy with the Association.

APAC offers:

- 01 Assessment of an individual’s situation
- 02 A needs led support plan
- 03 Support, advice and practical assistance
- 04 Connections with other services and the community
- 05 Specialist advice, including benefits, debt, employment and training advice
- 06 Trained volunteers to provide further appropriate support

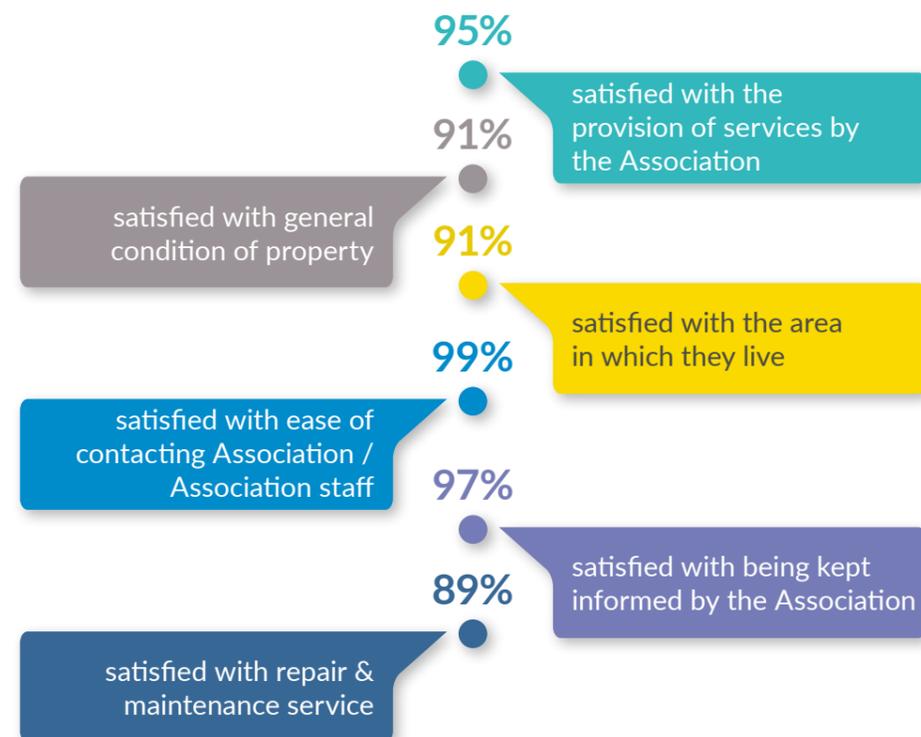
BCM Housing Support for older people also provide additional support to our tenants. The service provides tenants with guidance through areas they may be experiencing difficulties which could include practical tasks as well as emotional support, signposting to relevant agencies, advocacy, sustaining tenancy, access to health services and safety and security in property.



Tenant Satisfaction Surveys

South Ulster Housing Association values feedback from our tenants on the services we provide. The results of our 2015/2016 survey illustrates high levels of satisfaction levels across all our services. The purpose of the surveys is to allow tenants an opportunity to effectively assess the services we provide and give them an opportunity to identify areas for improvement which the Association takes on board and undertakes appropriate action. Tenants engagement is vital to ensure that tenants are kept informed of our services and that their views are taken into account.

We continually welcome our tenants to get on board and advise us of areas where we could improve or suggest changes that we could make by contacting us by phone, email info@southulsterhousing.org or by calling into the Office and discussing it with a member of staff.





Provision of quality homes,
services and neighbourhoods

PROPERTY SERVICES REPORT

Delivering quality homes, services and neighbourhoods

South Ulster Housing Association is committed to providing a first class property maintenance service which meets our tenants' expectations and future aspirations.

MEASURED TERM CONTRACTOR PERFORMANCE

We are pleased to record that South Ulster Housing Association exceeded Departmental targets across all repair categories in 2015/16.

| Category | No. completed on time | Total No. completed | % Performance |
|--------------------|-----------------------|---------------------|---------------|
| Emergency (24 hrs) | 927 | 1058 | 88 |
| Urgent (4 days) | 1242 | 1518 | 82 |
| Routine (28 days) | 2260 | 2566 | 88 |

In order to ensure the repairs service provided meets the needs of our tenants, the Association completed over 600 Quality Assurance inspections on response maintenance works throughout the year.

Aids & Adaptations

In 2015/16 South Ulster Housing Association completed 22 Disabled Adaptation requests including level access showers, ramps and grab rails. This is an extremely important aspect of our repairs service to ensure our tenants can remain living in their home.

Planned Maintenance

South Ulster Housing Association invested over £500k in our planned investment programme in 2015/16 including:

65 Kitchen Replacements

60 Bathroom Replacements

26 Heating Upgrades

Quality Assurance Inspections were carried out following completion of the project and we are pleased to note that 100% of our tenants were satisfied with the completed works.

As part of the Association's ongoing stock improvement strategy, we have invested over £900k in planned works in recent years and we anticipate investing over £550k in 2016/17.

DEVELOPMENT REPORT

The Development department contributed to the success of South Ulster Housing Association during 2015/2016 with the addition of 33 new homes. All properties comply with the guiding principles stated in the Department of Finance and Personnel 12 Procurement Principles which include: Transparency, Integrity, Competitive Supply, Effectiveness, Efficiency, Fair-Dealing, Responsiveness, and Informed decision-making, Consistency, Legality, Integration and finally Accountability.

Development delivered 33 units to the SHDP in during this period as follows:

| Scheme | Units |
|----------------------------|-----------|
| Lurgan ESPs | 3 |
| Newry ESPs | 2 |
| Warrenpoint/Rostrevor ESPs | 3 |
| 30 Cois Locha, ESP | 1 |
| 9 Chapel Hill Mews | 1 |
| Comber ESP's | 4 |
| Comber ESP's Phase 2 | 2 |
| Various ESPs | 6 |
| Various ESPs Phase 2 | 4 |
| 2-14 Bridge Street, Hilden | 7 |
| TOTAL | 33 |

South Ulster Housing Association has also continued the strong relationship with Praxis Care, with project approval received to add a further 19 properties to our portfolio. There are now a total of 61 Praxis Care properties under our management.



Bridge Street, Hilden

New Build Development and OTS Opportunities

There are two schemes where the Association is in ownership of the land and anticipates an onsite start within 2016/2017 Financial Year. These included Hill Street Lurgan (11 units) and Canal Street Newry (15 units).

DEVELOPMENT REPORT

2016 and Beyond

South Ulster continue to build on the strong finish to 2015/2016 with plans for 2016/2017

Adding 7 further Bridge Street Hilden homes to the portfolio Bringing the total to 18 properties in this development.

Ballynahinch Road, Lisburn 12 properties

Eia Street, Belfast 12 properties

Canal Street, Newry 15 properties

Hill Street, Lurgan 12 properties

All in all, Development aim to add a total of 65 properties to the Company portfolio by end 2016/2017 financial year. These properties will cover the majority of the council areas in Northern Ireland including : Armagh, Banbridge & Craigavon; Ards & North Down; Belfast; Lisburn & Castlereagh; Mid-Ulster and Newry, Mourne and Down District Council.

South Ulster Housing Association Development Team will continue to build strong relationships with local estate agents in areas of need, as identified by NIHE housing strategy. Also the team will continue to forge strong links with both the Planning Departments for New Builds and DPG.

Should you have any opportunities you are aware of, please contact the Development Manager, Cormac Quinn, on 028 3833 9795 or cormac.quinn@southulsterhousing.org.



4 & 5 Alexander Cottages, Ballygowan

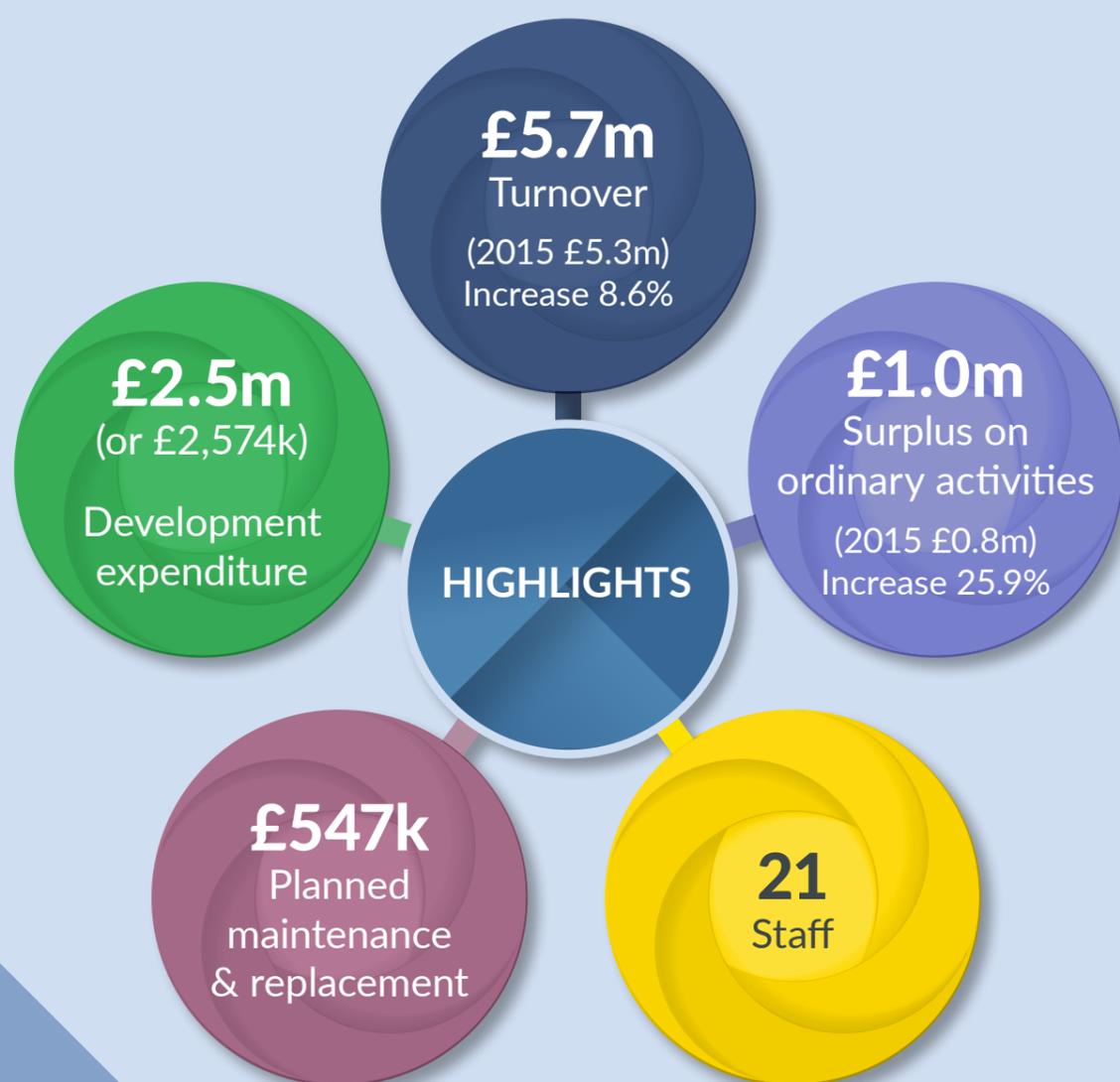


James Mews, Clondeboye Road, Bangor



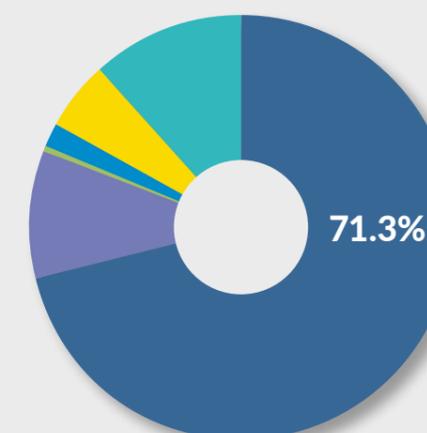
Kensington Mews, Lisburn

FINANCE REPORT



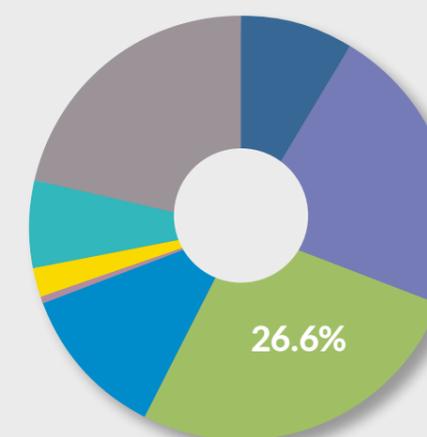
Turnover analysis

| | £ | % |
|---------------------------------------|------------------|-------|
| Rent | 4,084,231 | 71.3% |
| Rates | 555,412 | 9.7% |
| Affordable Housing | 16,919 | 0.3% |
| Tenant Services | 105,533 | 1.8% |
| Non social housing activities | 307,155 | 5.4% |
| Income from Housing Association Grant | 660,309 | 11.5% |
| Total | 5,729,559 | |



Cost analysis

| | £ | % |
|-------------------------------|------------------|-------|
| Property Management | 414,633 | 8.8% |
| Maintenance | 1,049,663 | 22.2% |
| Depreciation | 1,259,569 | 26.6% |
| Rates | 563,656 | 11.9% |
| Other social activity costs | 18,205 | 0.4% |
| Tenant Services | 106,079 | 2.2% |
| Non social housing activities | 307,155 | 6.5% |
| Interest Costs | 1,009,253 | 21.3% |
| Total | 4,728,213 | |



FINANCE REPORT

Statement of Comprehensive Income

| | |
|--|------------------|
| Turnover | 5,729,559 |
| Operating costs | (3,718,961) |
| Operating surplus | 2,010,598 |
| Surplus arising from sales of housing property | 136,377 |
| Transfer to disposal proceeds fund | (120,527) |
| Interest receivable and similar income | 618 |
| Interest payable and similar charges | (1,009,253) |
| Other finance income/(loss) | (20,000) |
| Surplus on ordinary activities | 997,813 |
| Transfer to tenants services fund | 546 |
| Actuarial gain/(loss) in respect of pension schemes | 148,000 |
| Retained (deficit)/surplus for the financial year | 1,146,359 |

Creditors over 1 year

| | |
|---------------------------|-------------------|
| Loans | 19,770,517 |
| Housing Association Grant | 36,505,122 |
| Other | 147,048 |
| Total | 56,422,687 |

Statement of Financial Position

| | |
|--|--------------------|
| Fixed assets | |
| Housing properties - depreciated cost | 68,472,565 |
| Other tangible fixed assets | 706,616 |
| | 69,179,181 |
| Current assets | |
| Debtors | 276,915 |
| Cash at bank and in hand | 2,917,217 |
| | 3,194,132 |
| Creditors: amounts falling due within one year | (2,474,775) |
| Net current assets | 719,357 |
| Total assets less current liabilities | 69,898,538 |
| Creditors: amounts falling due after more than one year | 56,422,687 |
| Pension liability | 522,956 |
| | 56,945,643 |
| Capital and reserves | |
| Called up share capital | 20 |
| Capital reserve | 69 |
| Revenue reserve | 12,952,806 |
| Total funds | 12,952,895 |
| | 69,898,538 |



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