



**SHROPSHIRE
RURAL HOUSING**
ASSOCIATION

Annual Report

2021-2022



www.shropshirerural.co.uk



THE KEY TO AFFORDABLE FAMILY HOMES

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Chair's report

BY SAM HINE
CHAIR OF THE BOARD



As we move forward from the pandemic and work our way through the ongoing economic and political uncertainty, it's tempting to batten down the hatches and wait in hope that the world will settle down.

In my Chair's report last year, I made the point that I was proud to lead SRHA, that hasn't changed. Myself and the rest of the Board remain committed to ensuring SRHA is the best housing provider it can be, continuing to grow to meet local housing need, ensuring our homes are as comfortable and well maintained as possible and always seeking to listen and to improve how we do things for the benefit of the people we serve - our tenants and the people who need affordable, good quality homes in rural Shropshire.

That commitment is why we believe this isn't the time for us to sit back, but instead to continue to move forward confidently with our vision and strategic aims.

Looking ahead we need to respond positively and proactively to the challenges of climate change, doing what we can to ensure we lessen the environmental impact of our houses whilst providing affordable warmth solutions wherever we can.

We know times are really tough at the moment for many. If you are struggling, please make sure you talk to us at the earliest opportunity.

Moving forward and taking on the challenges we're facing doesn't mean we'll be taking unnecessary risks. As the Board we are responsible for making sure that risks are understood, managed and controlled. During the year, the Board and Executive Team have developed a new risk management framework, fit for purpose to give us the necessary assurances that Shropshire Rural remains financially and regulatorily sound, whilst continuing to deliver against our objectives.

As a Board we regularly review our skills and competences to ensure we have the right experience to lead the Association. This will be even more critical through the challenging times ahead. I would like to take this opportunity to thank all the volunteer Board and Committee members for their continued commitment and dedication to the Association.

I hope you find this Annual Report an interesting read. If you would like to get involved with the governance and decision making at Shropshire Rural we would love to hear from you.



A review of the year

BY JOHN GREEN,
CHIEF EXECUTIVE



If 2020/21 was the year when we had to suddenly change how we worked in response to the Pandemic, then 2021/22 was the year when we at last began to move toward some degree of normality.

As an organisation that prides itself on being friendly and approachable, the lockdown restrictions of the last two years resulted in our staff team not only missing the day-to-day interaction with each other, but also the regular face to face contact with our tenants. Having spent much of the previous year socially distanced with limited face to face interaction with our tenants or colleagues, the opportunity to move to a more normal way of working as we progressed through 2021 was much welcomed throughout Shropshire Rural.

Moving forward, the challenge now is how we use what we learned about flexible working practices, remote technology and new methods of communication, to ensure we become leaner, more efficient and ultimately better at serving our tenants and the communities where we work.

2021/22 was also the year of economic uncertainty as inflation rose to levels not seen in decades. The associated cost of living increases, especially the cost of utilities, affect us all and we have increased our efforts to help and support tenants who are struggling financially. The rising cost of fuel also makes our commitment to affordable warmth increasingly important.

Despite the challenges we faced during the year, it is extremely pleasing to see the progress we have made. The acquisition of four new homes in Nesscliffe took our stock ownership over the 300 mark, and we have made positive progress in gaining planning approval for a new scheme of 13 new homes in the village of Chirbury. Growth and new development are important priorities

for the Association as we seek opportunities to meet the increasing need for affordable housing in Shropshire's rural communities.

We also continued to make progress on our stock investment programmes. This included window and door replacements in Harmer Hill, heating upgrades to 15 bungalows in Shawbury and a number of kitchen replacements during the year. As we look towards the future, much of our stock investment will focus on affordable warmth and climate change. Our plan for all homes to meet EPC level C by 2030 was also created and will form the basis of our future programmes.

Importantly, we completed a programme of flood protection measures to ten bungalows in Pontesbury which had suffered from flooding in recent years during bouts of heavy rain. The measures installed include full flood protection doors, flood resistant "smart" airbricks and non-return plumbing valves, protecting the bungalows and most importantly, the tenants.

I am also pleased to report improvements in core areas of our work. Repair response times have continued to exceed targets and rent collection performance has been excellent. Given the pandemic and economic situation we have found ourselves in, our staff team deserves much credit for maintaining such high standards and my thanks go to all of them. We also implemented the new Complaints Code of Practice and continued to embed our tenant engagement approaches.

As we move (hopefully) beyond the worst of the pandemic, our core priorities will remain on providing the best service we can and developing new homes. However, we will also ensure that tenants have the opportunity to offer genuine influence into our decision making and how we work.

Developing new homes

HELPING SHROPSHIRE'S RURAL COMMUNITIES THRIVE



The Association remains committed to a steady programme of growth and development as we seek to provide more affordable homes to meet the increasing housing need across rural Shropshire.

In terms of numbers, 2021/22 saw the Association pass the 300-property milestone with the acquisition of four new homes in the Village of Nesscliffe.

The two bungalows and two houses in Stonehouse Close were built by Shrewsbury Homes and sold to Shropshire Rural in accordance with the obligations contained in the Section 106 Agreement, as part of the planning approval. They are let at affordable rents and allocated in accordance with the local lettings plan agreed with Great Ness and Little Ness Parish Council.

Progress on our other development pipeline schemes has been slower than anticipated as we encountered delays with planning approvals and various legal matters.

However, even slow progress is positive, and we expect to be on site with 13 new homes in the village of Chirbury in the coming year, marking our largest single development in ten years.

The new homes we develop in future will all be as environmentally sustainable as possible within the resources we have. This is by no means a simple task as we are faced with increasing cost pressures, alongside the challenges of developing small schemes in rural areas. Nevertheless, we remain committed to minimising the environmental impact of our housing alongside ensuring the homes we develop are affordable to live in, through our ongoing commitment to affordable warmth.

"The house is so well insulated, and with the solar panels as well, it should really help with the energy bills."

NEW TENANT IN NESSCLIFFE



"I have never once thought of moving. I love my garden, the bungalow is so warm and cosy, and the neighbours have always been lovely. I love it here, why would I ever consider moving?"

**VERA PARKS,
OUR LONGEST SERVING TENANT**

Asset management and maintenance

SHROPSHIRE IS ENGLAND'S LARGEST INLAND COUNTY, AT **1,346** SQUARE MILES

Ensuring we provide safe and affordable homes for our tenants to live in and that our housing stock continues to achieve the legal and regulatory standards is a major focus at Shropshire Rural.

Despite financial pressures caused by rising inflation and programme delivery delays due to supply chain problems and contractor capacity, it is pleasing to report that the Association completed our planned maintenance programme in 2021/22.


This included:

- Window and door replacement at Goddings Close, Harmer Hill.
- Flood defence works at Mary Webb Close, including replacement of front and back doors with flood protection doors.
- Nine kitchen replacements at various properties.
- Fifteen heating upgrades at Princess Court.
- Cyclical painting at Cockshutt, Ightfield and Clive.

RESPONSIVE REPAIR PERFORMANCE 2021/22

	Emergency	Urgent 2 Day	Urgent 7 Day	Routine 20 Days	Planned	Average for all repairs
Number of jobs issued	214	252	215	345	225	1251
Completed within target	100%	98%	99%	98%	100%	99%

During the year, we also made positive progress on the development of our property component data systems. Initially this work focused on the data to provide greater assurance in relation to health and safety – including gas and electrical safety, asbestos and solid fuel. This was followed by data improvements in relation to Energy Performance Certificates and planned maintenance programming. This work to improve data will help as we prepare for changes in the Decent Homes Standard and our work in relation to climate change and affordable warmth.



"We rang the repair line and they arranged for a visit that day. A couple of hours later the plumber came, found the problem, and completed the repairs in about 30 minutes. Please pass on our thanks to all concerned for being so good and quick."

ANDY - SHROPSHIRE RURAL TENANT

Finance



£1,471,754

Total Rent & Other Income

£1,435,059

Gross Rents Receivable

£1,161,661

Operating Costs

Financial summary - Turnover and other income

Rent Receivable	£1,412,125
Service Charges Receivable	£42,895
Gross Rents Receivable	£1,455,020
Less: rent and service charge losses from voids	-£6,611
	£1,448,409
Other Income	£52,767
Total rent and other income	£1,501,176
Deposit account interest	£1,560
Increase in valuation Investment Property	£25,595
Government grants released	£125,337
	£1,653,668

Accounts

Investment in Housing Development	£22,533,998
Total rent and other income	£1,628,073

Financial summary - How every pound is spent

Cyclical/Planned Maintenance	£120,781	7.3%
Services	£71,779	4.4%
Responsive Repairs	£214,422	13.0%
Management	£319,022	19.2%
Bad Debts	£6,994	0.4%
Lease Charges	£48,575	3.0%
Development Administration	£75,595	4.6%
Expenditure	£857,168	
Depreciation and on components replaced	£314,605	19.0%
Operating Costs	£1,171,773	
Loan Interest Payable	£322,502	19.5%
Pension Scheme Interest Liability/Gain	£3,000	0.2%
Retained surplus for the period	£162,393	9.8%
	£1,653,668	100.0%

Summary of Balance Sheet (as of 31st March 2022)	
Fixed Assets	£18,630,026
Investment Property	£207,500
Net Current Assets	£4,217,498
Total Assets less Current Liabilities	£23,055,024
Financed by:	
Long Term Creditors	£17,211,383
Pension Liability	£216,000
Called Up Share Capital	£20
Income & Expenditure Account	£5,627,621
Members Funds	£23,055,024

Average rents

PROPERTY / 2021-22 WEEKLY RENT

1 Bed Semi-Detached Bungalow

£77.20

1 Bedroom House

£85.10

2 Bed Semi-Detached Bungalow

£85.04

2 Bed Detached Bungalow

£93.63

2 Bed Detached House

£111.36

3 Bed Semi-Detached Bungalow

£97.47

2 Bed Terraced House

£92.30

2 Bed Semi-Detached House

£92.44

3 Bed Semi-Detached House

£100.25

3 Bed Detached House

£111.91

4 Bed Semi-Detached House

£112.79

4 Bed Detached House

£120.84

1 Bed Flat

£68.31

2 Bed Flat

£87.09

Overall

£91.68

The above figures are exclusive of charges for additional services which apply to some, but not all, of Shropshire Rural's homes.

Performance and value for money

ENSURING THAT WE DELIVER **GREAT VALUE**
IN THE WORK WE DO

“The house is nice and spacious, and there are lots of families with similar-aged children, so you can tell it’s going to be a really lovely community. We are really happy here.”

**NEW SHROPSHIRE
RURAL TENANT**



As a small charitable housing provider, value for money (VFM) is an essential ingredient of all we do. though smaller and less diverse than many housing providers, we are committed to ensuring we deliver great value in the work we undertake. VFM is not necessarily being cheaper, rather it is about getting more from each pound spent or spending more but getting a disproportionately greater benefit from that expenditure.

DURING 2021-22:

- ✓ We finalised our plans to ensure all of our housing stock achieves EPC level C by 2030.
- ✓ We installed full flood protection doors to flood affected homes in Pontesbury, supported by grant funding from Shropshire Council.
- ✓ We delivered a heating system replacement project to 15 homes in Shawbury, supported by £60,000 grant funding from Affordable Warmth Solutions and the Energy Saving Trust
- ✓ We recruited new Board and Committee members to provide specialist in-house skills in development, asset management and housing services.
- ✓ We purchased an additional four homes in the village of Nesscliffe.
- ✓ We completed a market testing exercise for our audit service, bringing in specialist housing expertise to support the Association.
- ✓ We continued to generate Renewable Heat Incentive income from our investment in heat pumps, to improve energy efficiency in support of our commitment to affordable warmth.
- ✓ We further developed our approach to tenant engagement and influence, focusing on a specific project based approach in response to issues raised by our tenants.
- ✓ We appointed an apprentice to support our tenant engagement activity.
- ✓ We introduced a new assured tenancy agreement to provide greater clarity in the obligations of the Association and tenants.
- ✓ We collected 99.19 % of the rent due, working closely with tenants helping them to get the support available.
- ✓ We reviewed our complaints handling processes in the light of the Housing Ombudsman Complaint Handling Code, to ensure we continuously learn from complaints we receive.
- ✓ We continued to develop our social media presence as a means of external communications.

Participation in Acuity's performance benchmarking services enables us to compare our performance with that of similar providers and to see where we may be able to improve.

Our financial reporting arrangements enable close scrutiny of our income and expenditure by our Board of independent, voluntary members.

The Board is responsible for setting the strategic direction of the Association and ensuring our key objectives are achieved.

A full VFM statement is included in our annual accounts which are also available on our website: www.shropshirerural.co.uk

Looking forward

OUR VISION, MISSION AND VALUES

The Association's vision is to "Provide homes that help Shropshire's rural communities thrive"



OUR MISSION



Managing and developing affordable, good quality homes in rural Shropshire



Helping to make and keep villages vibrant and sustainable



Engaging positively with our customers, managing our finances efficiently and having the best team in place



Seeking to provide solutions that minimise negative impact on the environment and combat climate change



OUR VALUES



CUSTOMER FOCUSED



FRIENDLY



INTEGRITY



TEAMWORK



INCLUSIVE

WE WILL ACHIEVE OUR MISSION THROUGH...



CUSTOMERS

We will establish structures and means of engagement that put tenants at the heart of decision making throughout the Association.



PARTNERSHIPS

We will raise awareness of what we do and the role we play in addressing rural housing needs in Shropshire.



FINANCIAL VIABILITY & DECISION MAKING

We will adopt a rational forward planning approach to financial decisions to ensure that we maintain our financial stability whilst focusing on our investment priorities.



ENVIRONMENTAL FACTORS

We will endeavour to use sustainable forms of energy where possible in existing or new housing, with affordable warmth a priority for our tenants.





During 2022/23 we will focus on some specific initiatives:

- ✓ Development and implementation of a carbon neutral strategy, starting with the achievement of EPC level C for all homes by 2030, and ensuring affordable warmth remains a high priority for the Association.
- ✓ Delivery of our property investment programme.
- ✓ Embedding our approach to tenant engagement and influence.
- ✓ Review of the proposed Regulator for Social Housing Tenant Satisfaction Measures, ensuring we have the means of gathering satisfaction data.
- ✓ Positive progression of the development programme.
- ✓ Further development of tenant communications including the newsletter and enabling the tenant area of the website.
- ✓ Undertaking a review of the Housing Management Committee with the aim of ensuring our tenants' voice is heard throughout the Association.
- ✓ Supporting our tenants to get the help available during the cost of living crisis.
- ✓ Successfully embedding the revised risk management framework.

SOCIAL VALUE

As an organisation founded to provide homes for local people in rural areas of Shropshire, our social ethos is well established. It is important however that we understand the economic, social and environmental impact of our work in providing and managing homes in Shropshire's rural communities.

Social value forms an increasingly important part of our key decision making within the Association, building on our previous work supporting the local economy.

This includes such things as using local contractors and suppliers where possible, providing affordable warmth solutions, the availability of support and assistance to vulnerable and isolated tenants during the pandemic, and day to day advice and support for people struggling in the cost of living crisis.

During the year, the Association also began to evaluate our environmental credentials as we move towards a more sustainable future.



Sam Hine

Chair of the Board



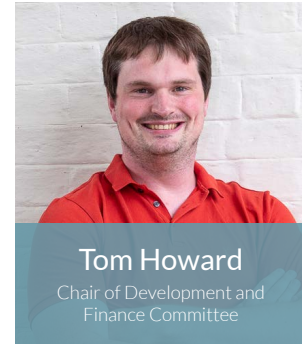
Katrina Baker MBE

Vice Chair of the Board



Rachel Danemann

Chair of Housing
Management Committee



Tom Howard

Chair of Development and
Finance Committee



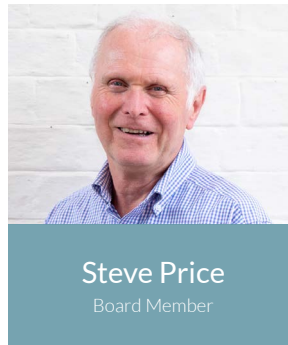
Celia Bahrami

Vice Chair of Housing
Management Committee



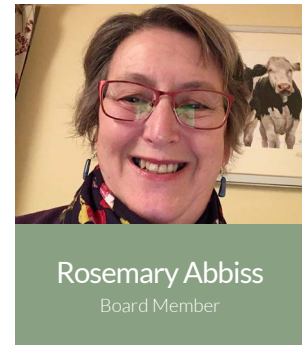
Matthew Mead

Vice Chair of Development
and Finance Committee



Steve Price

Board Member



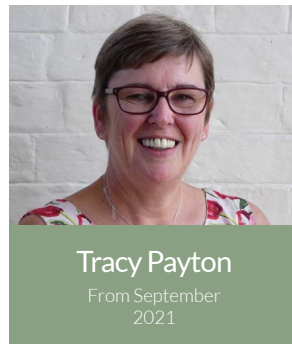
Rosemary Abbiss

Board Member



Paul Sutton

From September
2021



Tracy Payton

From September
2021



John Green

Chief Executive



Kate Adams

Finance Director and
Company Secretary



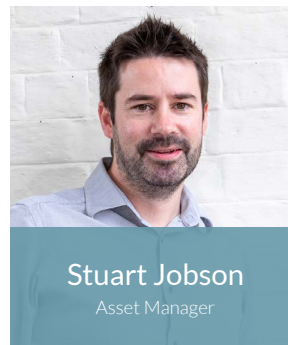
Annette Hadwen

Scheme Manager -
Older Persons' Housing



Philip McVeigh

Tenancy Management
Officer



Stuart Jobson

Asset Manager



Linda Talbot

Housing Officer



Wendy Wainwright

Administrative Officer



Katie Perks

Apprentice (appointed
November 2021)

Our people

WHO WE ARE AND WHAT WE DO

Shropshire Rural Housing Association is managed by a small team of paid staff who are responsible, through the Chief Executive, to a Board of volunteer Members (non-profit shareholders) of the Association.

The Board and its Committees are responsible for setting the strategy and priorities of the Association and for ensuring that the objectives are met.

For 2020-21, the Board of the Association comprised of:

Sam Hine	Chair of the Board
Katrina Baker MBE	Vice Chair of the Board
	Chair of Human Resources Committee
Rachel Danemann	Chair of Housing Management Committee
Tom Howard	Chair of Development and Finance Committee
Celia Bahrami	Vice Chair of Housing Management Committee
Matthew Mead	Vice Chair of Development and Finance Committee (from November 2021)
Steve Price	Board Member
Rosemary Abbiss	Board Member
Paul Sutton	From September 2021
Tracy Payton	From September 2021

For 2021-22, the Association's staff team:

John Green	Chief Executive
Kate Adams	Finance Director and Company Secretary
Annette Hadwen	Scheme Manager - Older Persons' Housing
Lauren Gregory	Tenant Engagement Trainee (resigned July 2021)
Philip McVeigh	Tenancy Management Officer
Stuart Jobson	Asset Manager
Linda Talbot	Housing Officer
Wendy Wainwright	Administrative Officer
Katie Perks	Apprentice (appointed November 2021)

Financial and legal services have been provided to the Association by the following:

Bankers:	National Westminster Bank plc
Auditors:	Beevers and Struthers
Solicitors:	Trowers & Hamlins, Birmingham
Lenders:	Nationwide Building Society
	Orchardbrook/Fresh
	GB Social Housing
	Lloyds

The Association also appreciates the support and assistance provided during the year by a wide range of consultants and contractors.



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