

Rising to the challenge in tough times



Wendy Bodenham

Recently the most commonly used adjective has been 'unprecedented' and, whichever way you look at it, 2019-20 has been anything but typical.

The last part of our business year was marked by the coronavirus outbreak, nationwide lockdown in

March and the need to adapt our services in the face of the pandemic.

Although its impact continues, Lyng Community Association (LCA) has evolved to meet the challenge of this new operating environment. We wish to thank all our staff, partners and stakeholders for their support in maintaining a high standard of service during this difficult time.

As Chair, I would also like to thank my colleagues on the Board for their support and commitment over the past year.

2019-20 was the final year of the government's four-year social housing rent reduction when we were required to reduce rents by 1% each year. Inflation rose by around 7% in that period, so the impact on LCA was significant.

We remain committed to developing new homes in the Lyng area and have been actively looking for sites we can buy. This is a long-term objective, so we are only looking for sites that are financially viable.

For example you may have seen that the Vic pub, on the

corner of Lyng Lane and Newhall Street, was sold at auction recently. Despite the small site's limitations, it sold for £400,000 – well over the £225,000 market value.

As the Lyng is already highly developed, opportunities are limited but we continue our search and hope to deliver more social rent homes in future.

In July 2019 we were sad to see Corilee Williams, one of our original founding members, retire from the Board. Corilee spent almost 20 years as a Board member, having previously been involved with the residents' group that worked with Sandwell Council on plans to regenerate the old Lyng estate.

We are now seeking local residents to join the Board. This involves attending seven meetings a year, usually on Tuesdays from 6.30pm to 8.30pm at a local venue – or, if the pandemic continues, via a Zoom meeting. If you are interested, please call us for more details on **0121 525 5969**.

As a locally-based association we care passionately about our community, striving to provide homes and places where people want to live. We believe everyone should have a safe, secure, comfortable and affordable home in communities which are supported to flourish.

While we are proud of our achievements this year, we are always looking for ways to improve. We welcome feedback and ideas from our tenants, so please get in touch!

Wendy Bodenham

Chair of Lyng Community Association

Building our sense of community

As you are no doubt aware, one of our key original objectives was to ensure the Lyng estate's physical regeneration was accompanied by development of a strong community spirit.

Lyng Community Association seeks to provide a varied programme of activities for every age group throughout the year.

During 2019-20 we organised a variety of events. Here are some of the highlights.

- Over 100 people helped us raise funds for charity at the World's Biggest Coffee Morning.
- 142 residents joined us on our summer trip to Brean, the first time we've been to this seaside resort near Weston Super Mare.
- Our 5-11 Club provided opportunities for youngsters to have fun and learn crafts every week.
- The Summer Play Scheme included a trip to the West End, to see Matilda the Musical.
- 75 people came on our trip to Chester Zoo.
- 92 residents supported the Lyng Fashion Show, raising money for Macmillan Cancer Support.
- Our Family Christmas Party featured a special visit from Santa and a trip to Birmingham to see the pantomime Snow White.
- Adult Craft Sessions were held at West Bromwich Leisure Centre.
- Our Community Cinema screened popular films at the Church Hall.
- Dance sessions and soft play at West Bromwich Leisure Centre entertained members of our Toddlers Group.
- Our weekly Youth Club enjoyed a team building and strategy day during a trip to an outdoor pursuits centre.
- Children spent several hours cleaning up litter across the estate, collecting nine bags of rubbish.

We feel that these kinds of activities are crucial to maintaining a great community, so please support us and get involved.

If you think there is something else we could be doing, then please get in touch. We welcome new ideas, particularly catering for younger adults and older people on the estate.

The Covid-19 pandemic has of course restricted this year's planned events and trips but, looking ahead, we hope to be able to run some activities in 2020-21.



Achieving value for money

Throughout 2019-20 Lyng Community Association (LCA) has continued to work hard to deliver on the objectives in its Value for Money (VFM) strategy.

We have also measured our progress through self-assessment against the VFM standard set by our regulator, the Regulator for Social Housing.

The specific requirements are for housing associations to:

- clearly articulate their strategic objectives
- have an approach agreed by their Board to achieving VFM in meeting these objectives, and demonstrate their delivery of VFM to stakeholders
- through their strategic objectives, articulate their strategy for delivering homes that meet a range of needs

- ensure that optimal benefit is derived from resources and assets, and optimise economy, efficiency and effectiveness in the delivery of their strategic objectives.

Our VFM strategy 2019-20 was linked to our Business Plan, which outlined the Board's priorities in meeting our business growth expectations and our tenants' expectations in terms of developing our services.

As part of these requirements, housing associations are expected to publish comparative performance information in specific categories. Outlined below is our performance against these particular indicators.



Performance measure	2020	2019	2018	Peer group (median)	Notes
Reinvestment (how much we reinvested in our homes)	0.14%	0.27%	0.2%	2.3%	<i>This figure will rise as old equipment and fittings are replaced.</i>
New supply – social housing	0%	0%	0%	0%	<i>We did not build any new homes in 2019-20 but plan to in future.</i>
Gearing (ratio of loan capital to equity)	22.24%	33.69%	35.92%	9.5%	<i>Assesses debt as a percentage of our assets. This reduced as we continue paying off our bank loan (to develop homes), and revaluation saw property values increase.</i>
EBITDA MIR (interest cover)	239.67%	212.97%	227%	169.5%	<i>Measures adjusted operating surplus to net interest payable.</i>
Overall social housing cost per unit (covers management, service charge, maintenance, major repairs and other social housing costs)	£3,387	£3,108	£3,049	£3,644	<i>Our costs are less than the median for all housing associations, and compare favourably with smaller associations in our peer group.</i>
Operating margin – social housing lettings	38.51%	42.39%	44.04%	20.51%	<i>The operating surplus (deficit) from social housing lettings divided by turnover from those lettings.</i>
Return on capital employed (rate of return from our housing assets)	3.45%	3.72%	3.9%	2.8%	<i>We are above average for our peer group although, due to the last four years' rent decreases, returns are reducing.</i>

We have used similar sized housing associations to benchmark our performance against. LCA is part of a national benchmarking club that allows comparison not only against smaller housing associations (with less than 1,000 homes) but against larger associations too.

LCA remains committed to the principles of the VFM standard and will continue to compare itself, where appropriate, with similar providers to ensure its performance improves year on year. The Board will continue to use the above data and comparisons to develop new targets and shape our VFM strategy over future years.

How are we doing?

Over the past year:

- 682 repairs were carried out (513 last year)
- 95% of these were completed on time (95.1% last year)
- 10 homes were re-let (12 last year)
- we had no homes empty at the end of March 2020
- we lost 0.22% of our rent due to homes being empty (0.28% last year)
- rent arrears reduced to 3.38% at the end of March 2020 (from 3.42% in March 2019).

Turnover	£1,102,278 (£1,089,757 last year)
Surplus	£214,933 (£208,256 last year)
<i>This is used to provide services, cover repairs and further improve our community.</i>	
Average rent and service charges	
One-bedroom flat	£81.28 (£81.73 last year)
Two-bedroom flat	£89.34 (£90.70 last year)
Two-bedroom house	£90.91 (£91.62 last year)
Three-bedroom house	£99.54 (£100.18 last year)
Four-bedroom house	£113.82 (£116.45 last year)