

Pulling together through a challenging year



Wendy Bodenham

2020-21 has again been a year of challenges for both Lyng Community Association (LCA) and our residents.

Many people have suffered hardships and loss during the ongoing pandemic but this period has also highlighted how people can come together to help one another during tough times.

As LCA Chair, on behalf of the Board I would like to thank our residents, contractors and dedicated staff for everything they have done to manage the impact of the crisis.

I think we all recognised the value of our community and local services, particularly the NHS and Sandwell Council, who have maintained their services throughout the year.

At LCA, we are proud of what we achieved in such a difficult environment, particularly keeping residents safe by completing 100% of gas boiler services and delivering emergency and urgent repairs – with only a small reduction in our repairs response performance.

During the early days of the pandemic we contacted vulnerable residents to check on their welfare, while other staff carried out critical health and safety checks such as fire alarm tests. Our cleaning and gardening contractors ensured communal and planted areas were maintained, without a break in service throughout lockdown.

By summer 2020 we were able to let homes again, although our tenancy turnover was exceptionally low with just six vacancies over the year.

As a locally based organisation, we are committed to enabling residents to scrutinise and influence our services. Early in 2021 we adopted the 'Together with Tenants' Charter that commits us to continuing our work with tenants to improve our services, accountability and responsiveness to customers.

This charter has further underpinned the commitment we have always made to ensuring we listen to residents, act on what they tell us and put things right when they go wrong.

We have up to six resident places on the LCA Board that provide the opportunity for people living on the Lyng to play a key role in our strategic management. Meetings take place locally seven times a year and we would be delighted to hear from those who feel they can make a contribution to their community in this way.

Looking to the future, we will be exploring how we can involve residents in helping shape our pathway to net zero carbon and embed sustainability in our long-term strategies.

There is cause for optimism as life starts to return to the way it was. We can also reflect on LCA's response to the pandemic, generating confidence that we are equipped to face whatever further challenges lie ahead.

Wendy Bodenham

Chair of Lyng Community Association

Staying safe

Our community activities had to be extensively adapted over 2020-21, due to the pandemic's various lockdown restrictions.

But we are proud that we have maintained some sort of normality for Lyng children, while providing parents with a much-needed break after months of home schooling.

The Toddlers Group kept going most consistently, as it is classed as a 'support group'. The past year's sessions included:

- 'We're going on a bear hunt'
- Edible messy play
- Seaside fun
- A visit from Santa
- Graduation Day

When our youth activities were unable to open we delivered craft packs to members of the Toddlers Group and 5-11 Club, to keep youngsters entertained.



How are we doing?



Over the past year:

- **583** repairs were carried out (682 last year)
- **95.3%** of these were completed on time (95% last year)
- **6** homes were re-let (10 last year)
- we had no empty homes at the end of March 2021
- we lost **0.05%** of our rent due to homes being empty (0.22% last year)
- rent arrears increased slightly to **3.8%** at the end of March 2021 (from 3.38% in March 2020).

— having fun

The 5-11 Club was able to open for a few months, with children initially taking part in sit-down activities until restrictions were lifted enough for them to be able to play games and share toys as usual.

At our Youth Club, the last of our groups to re-open, we have aimed to create a safe haven where young people can socialise.

We were able to organise various Halloween and Bonfire Night activities for Lyng youngsters and their families last autumn.

Our team also worked hard to provide a Covid-secure environment for our popular Christmas Craft Day to take place, complete with a visit from Santa bringing gifts for all the children.



Turnover

£1,111,056
(£1,102,278 last year)

Surplus

£360,235
(£214,933 last year)

This is used to provide services, cover repairs and further improve our community.

Average rent and service charges

One-bedroom flat	£83.32 (£81.28 last year)
Two-bedroom flat	£92.84 (£90.54 last year)
Two-bedroom house	£93.39 (£90.91 last year)
Three-bedroom house	£102.25 (£99.54 last year)
Four-bedroom house	£117.09 (£113.82 last year)

Achieving value for money



LCA is committed to achieving value for money (VFM) for our tenants and stakeholders, adopting a strategy setting out clear objectives on how this will be delivered – to achieve economy, efficiency and effectiveness in everything we do.

Our overarching objectives are to:

- optimise use of our assets
- maintain efficient, effective services offering excellent value for money
- ensure tenants fully understand LCA's costs and how they compare with our peer group
- invest in enhancing our homes and developing new social housing
- remain financially strong, to maintain our viability and independence.

The strategy links to our Business Plan, ensuring VFM is embedded throughout the business and sets out measurable targets linked to LCA's aims and purpose. We aim to provide opportunities for tenants to help shape services and monitor their delivery and effectiveness.

Our Board monitors performance against VFM targets and uses comparable data from our peer group to benchmark our performance. The data we use (shown in the SBPM column in the table below) is from similar sized housing associations in the West Midlands and provided through Housemark Benchmarking, which offers the housing sector's most in-depth robustly validated data.

Our targets for 2020/21 included:

- 1) 100.6% rent collection – we achieved 99.6%, due to the pandemic's impact and restrictions on taking legal action to recover arrears. We are looking to reduce arrears by setting

a new, challenging target for 2021/22.

- 2) 99.59% homes occupied – we achieved 99.95%, mainly due to the low turnover of tenancies. This may change as turnover increases.
- 3) 96% overall satisfaction rate with services – we achieved 97%. We conduct regular satisfaction surveys to see where we can improve and plan a full tenant survey once pandemic restrictions are lifted.
- 4) Ensure our headline social housing cost per unit is £3,594 or less – we achieved £3,327 but appreciate we need to continue improving.
- 5) Deliver 2.5% new homes over three years – we are seeking suitable sites in and around the Lyng estate but, as the area is highly developed, they rarely become available and prices reflect this.
- 6) Maintain community stability by keeping tenancy turnover under 10% – we achieved less than 3%.
- 7) Reduce expenditure on dealing with litter, fly-tipping and vandalism by promoting community spirit with a range of activities – lockdown restrictions led to less community events but we will develop a realistic cash target for future years.

By reviewing expenditure, improving performance and seeking better value in procurement, we have enhanced our overall financial position by continuing to generate surpluses that can be earmarked for developing new homes in the near future.

Performance measure	2021	2020	2019	SBPM 2020 median	Notes
Reinvestment (how much we reinvested in our homes)	0.10%	0.14%	0.27%	3.62%	<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 homes in 2020-21</i>
Gearing (ratio of loan capital to equity)	32.07%	22.24%	33.69%	16.67%	<i>Calculated using net book value (the value of our assets) to allow comparison with other housing associations</i>
EBITDA MIR (interest cover)	601.42%	239.67%	212.97%	250.5%	<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)	£3,327	£3,387	£3,108	£4,577	<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	39.63%	38.51%	42.39%	18.1%	<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)	3.59%	3.45%	3.72%	2.35%	<i>This has slightly improved due to the end of regulated rent reductions in 2020 and a specified rent increase for 2020/21</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.