



# Annual Report 2017

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Jim  
Wallace,  
Resident,  
Hawick

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# Introduction

By Chair & Chief Executive



**Michael Martin,**  
*Chairperson*



**Helen Murdoch,**  
*Chief Executive*

Without doubt, the social housing sector continues to be one of change and challenge but Hanover prides itself on its history of continuous improvement in the delivery of housing and customer service. The past year has seen Hanover take the opportunity to enhance delivery by completing the reorganisation into Strategic Business Units, covering care, enhanced housing and factoring. Staff have embraced the challenges offered by these changes and continue to place excellent customer service at the heart of everything we do.

In September 2016, we completed work on Varis Court in Forres, a purpose built development with innovative, high quality services and facilities for older people, in partnership with Moray Health and Social Care and the Scottish Government.

The development provides 33 two bedroom flats with additional communal facilities. The most up to date thinking and research was put into practice in the design, planning and building of the development, to create a uniquely modern environment suited to the needs of older people who require different levels of care and support.



**Varis  
Court  
residents**

Features include an augmented care unit with five flats providing complex health care interventions in a homely environment, avoiding the need for acute admissions. This unit has qualified nurses on hand 24/7 and the flats aspire to replicate the patient's home rather than an acute hospital environment, with the aim of rapid re-ablement and recovery.

The design also includes two courtyards at its centre for residents to enjoy an outside space that is ideal for gardening or events. The development is proving very popular with residents.

In June 2016, colleagues from across Scotland came together for our annual staff conferences. The new approach of holding the events centrally in Stirling was very well received. The theme of the events was "You can if you think you can" and feedback from attendees was very positive, with many comments about being inspired, encouraged and energised.

The feedback included:

*"Good ideas, motivation and a big reminder that we all make a difference to people's lives"*

*"Fantastic and very interesting"*

*"Lots of inspirational topics"*

*"Re-awakened motivation to be the best I can be"*



Staff  
Conferences  
2016



We held a strategy day in February, which focussed on developing a picture of what Hanover might look like in the medium term and identifying the key strategic areas that should be explored further. As part of this, all staff and Board members were surveyed for their thoughts and were asked to choose what options they considered should influence our future strategic direction.

Another corporate strategy day was held in March 2017, when an in-depth review and analysis of Hanover's rents was undertaken, based on a comprehensive independent report. Our rent levels were found to be extremely competitive compared to other organisations in our sector and there was clear evidence that our current policy had stood the test of time and was working well. We will continue to keep a close eye on our rents and service charges to ensure these remain affordable for our customers and viable for the Association.

## Health, Happiness and Independence

“*Moving to this development is the best thing we did*”

– Whitburn Resident

One of our values

At our AGM in September 2016, we heard from guest speaker Lesley Palmer, Chief Architect at The Dementia Centre at Stirling University, a centre of knowledge and expertise dedicated to improving the lives of people with dementia. Lesley delivered an enlightening and informative presentation on hurdles and opportunities in ensuring homes are suitable for people with dementia. Lesley detailed the evolution and importance of designing and building accessible environments and showed how small things like choosing the right colours, contrast, lighting and designs, can make positive differences to people with the condition.

As set out elsewhere in this report, Hanover's financial performance remains strong and the forecast for next year is for further growth, even as we continue to invest substantially in our existing properties.

We are continuing to improve our operational performance, particularly in some key areas such as the loss of rental income through void properties. Our Telecare service has markedly exceeded its target income levels and our Care at Home service is in a positive financial position.

This strong financial performance puts us in the excellent position of being able to invest in existing homes and build more new properties.

# Highlights of the year

## Awards and Accreditations

- Disability Confident Employer Certificate – awarded September 2016 to September 2017;
- Investors in People Bronze status – retained in 2016/17 and will be working towards Silver over the next year;
- Investors in Diversity Stage 2 – accreditation held since February 2013;
- National Centre for Diversity – Hanover listed among the top 100 UK companies to work for;
- Healthy Working Lives status – retained in 2016/17; and
- Telecare Services Authority – accreditation retained in 2016/17.

## Development Anniversaries

Several of our developments celebrated significant anniversaries:

**Hanover Close**, Earlston  
40 years

**Airlie Gardens**, Banff  
30 years

**Kelburne Gardens**, Paisley  
30 years

**Pinewood Square**, Glasgow  
25 years

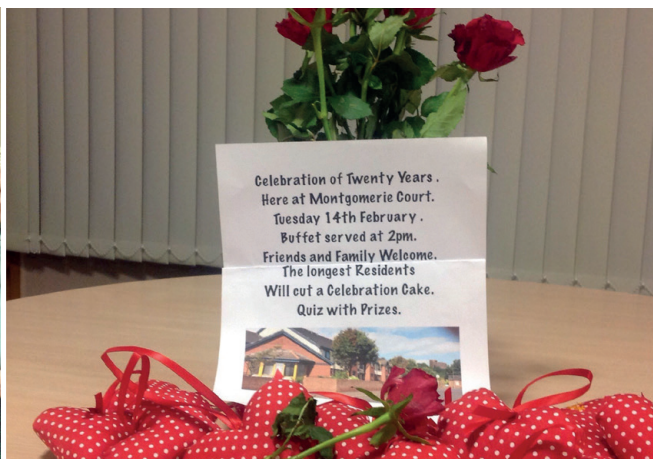
**Burnside Court**, Buckpool  
30 years

**The Green**, Aviemore  
20 years

**Broomlee Court**, West  
Linton 30 years

**Montgomerie Court**,  
Ardrossan  
20 years

**Hanover Court**, Paisley  
30 years



L-R Pinewood Square, Glasgow, Ardrossan, West Linton and Earlston



## Marketing

We launched a video for residents on our website to promote the services offered at our developments and to enable potential residents and their families to get a taste of life as a Hanover resident.

We commissioned a substantial piece of research which analysed Hanover's markets, as well as our range of products and services. This research has proved to be invaluable and is now feeding into the production of a comprehensive communications and marketing strategy.



Residents,  
Galashiels

## Customer Satisfaction Survey

In December 2016, we undertook a comprehensive tenant satisfaction survey. The survey obtained a headline satisfaction rate of 86% on a response rate of 38.6%. The results are reported to the Scottish Housing Regulator via the Annual Return on the Charter. The survey indicated a reduction in levels of tenants' satisfaction from 2013 when the survey was last run.

In order to develop an understanding of the reasons for this reduction, focus groups with tenants will be held during the summer of 2017 to identify any contributory factors. Also, the frequency of the survey will be increased to ensure we are obtaining more regular customer satisfaction information and to allow us to react quickly to any issues. The future surveys will also help us assess whether activities such as the increased work on Customer Engagement and Volunteering are having a beneficial impact.

## Putting the customer first

“ *I receive excellent and caring attention* ”  
— Glasgow resident

One of our values





Resident  
with care  
staff in the  
Borders



# Customer Engagement

## ■ Volunteer Co-ordinator

Our Volunteer Co-ordinator started work at the end of September 2016. The aim of this new role is to support the creation of a volunteering infrastructure across Hanover's developments and communities and to develop policies and processes around volunteer-led projects, all with a view to promoting social inclusion.

The Co-ordinator completed a full audit to establish what was already happening with volunteering across Hanover, before beginning work to expand and develop the infrastructure. Hanover now has 16 developments on board and we have recruited more than 40 volunteers who, in total, are giving up to 82 hours per week of their time to help fight loneliness and social exclusion.

## ■ Customer Engagement Strategy

During the year, staff, customers and representatives from the Board produced a Customer Engagement Strategy to enable more innovative, meaningful and fun ways of engaging with residents and service users. The purpose of the strategy is to ensure that Hanover has the structures and mechanisms in place to facilitate effective customer engagement. This in turn will empower customers, improve service and create robust accountability.

## ■ Customer Panel

A further element of this work has been the creation of a customer panel of Hanover residents, which involved a rigorous selection process. The panel provides a forum for the panel members to consider how Hanover services are delivered and to make recommendations for change or improvement, working with Hanover staff. The next step will be to decide the panel's first area for scrutiny.



Customer Panel

# Repairs & Maintenance

Our total repairs and maintenance expenditure (revenue and capital) was £9.3m this year. This investment results in our residents benefitting from new kitchens, bathrooms, doors, windows and heating. This year we spent £355k on adaptations in 139 properties to make life more comfortable for our residents and allow them to live more independently. The Association also completed 73 new homes in the year and work is underway on a further 127 across 5 developments.

Our Eglinton Court development at Saltcoats is now all the warmer thanks to extra measures taken to improve heat retention. The 24 flats sit in an exposed coastal location and suffered from high levels of heat loss. Now the £190,000 contract has made a huge difference allowing heat to be retained and the flats to be much warmer.



Eglinton  
Court,  
Saltcoats

We are committed to improving the energy efficiency of our houses and will look at further opportunities like this in the future.

Good progress continues to be made towards the December 2020 target for meeting the Energy Efficiency Standard for Social Housing (ESSH). ESSH sets a minimum energy efficiency rating for all our properties as measured by an Energy Performance Certificate (EPC). As at 31 March 2017, our compliance rate was 89.1%. Surveys have been completed for all our stock and EPCs are in place. The remaining compliance work is programmed over the next three years so we can be fully confident of meeting the 2020 target.

This demonstrates our ongoing commitment to building and maintaining high quality housing and investing in our existing stock.

## Simple solutions for life

“ *My residents are over the moon and it has made the flats a lot warmer and the building looks good as new.* ”

— Eglinton Court Manager

One of our values



# New Developments

- Waterford Court, in Giffnock, a modern development of 12 amenity homes opened its doors to residents.

***“The development has been completed to an exceptionally high standard throughout and provides much needed housing for independent older people in the area.”***

Jackson Carlaw MSP

- Varis Court, a housing with care development in Forbes, Moray, opened its doors to new residents at the end of 2016
- Our development at Glassgreen in Elgin has been named Linkwood View by children at the school next door. We are making good progress on building work and are looking forward to welcoming new residents.
- Hanover continues to have a good development programme with other sites under development in Elgin and Ayr.



Waterford  
Court  
opening



Linkwood  
view  
progress  
visit

# Performance Management

In March 2017, Hanover's Board agreed on a Corporate Performance Framework for the organisation containing Key Performance Indicators. Our performance is set out below.

Hanover		Peer Group
2015-16	2016-17	2016-17
Actual	Actual	Median

## Corporate Health

% of staff turnover in year	11.10	11.68	19.20
% of working days lost through staff sickness	3.46	4.41	3.80

## Customer Contact and Complaints

% of stage 1 complaints upheld (fully or partially)	65.44	64.29	55.56
% of stage 1 complaints responded to within SPSO timescales	79.26	85.71	77.90
% of stage 2 complaints upheld	59.32	55.77	58.30
% of stage 2 complaints responded to within SPSO timescales	77.97	94.23	77.80

## Major Work and Cyclical Maintenance

% of dwellings with a valid gas safety certificate	100.00	100.00	100.00
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## Responsive Repairs

Average length of time taken to complete emergency repairs (hours)	5.98	3.34	3.48
Average number of working days taken to complete non-emergency repairs (urgent and routine)	5.49	4.73	6.63
% of repairs completed right the first time	94.20	95.70	93.10

Hanover		Peer Group
2015-16	2016-17	2016-17
Actual	Actual	Median

## Rent Arrears and Collection

Rent collected from current and former tenants as % due (excluding arrears b/f)	99.94	101.79	100.20
Rent collected from current and former tenants as % due (including arrears b/f)	98.26	99.30	*
Rent arrears of current tenants as % rent due (excluding voids)	0.58	0.49	2.64
Rent arrears of current tenants net of unpaid HB as % of rent due	0.26	0.28	2.19
Rent arrears of current and former tenants written-off as % rent due	0.28	0.17	1.26
Rent loss (£000s) due to empty properties (voids)	599	234	**
Rent loss due to empty properties (voids) as % rent due	1.90	1.46	0.59

## Void Works and Lettings

Average re-let time in days (standard re-lets)	53.95	30.05	19.56
Percentage of properties accepted on first offer	71.59	78.16	**
Number of tenancies terminated as % of properties managed	14.60	14.91	*

## Other Hanover Indicators

Telecare response within 60 seconds (%)	97.86	92.63	*
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\* Not collected on Housemark \*\* Statistics not collected by others



# Charlie & Margaret Watson

Charlie and Margaret were the first residents to move into our new development Varis Court in Forres. They are both in their eighties and while they did not feel they were in need of a care home, they did want somewhere where they felt safe in the face of failing health.

Charlie was an officer in the Grampian Police Force and Margaret was a maternity nurse at Leancoil Hospital. They used to live a mile out of town but having taken on a corner flat in the development, they have never looked back.

Margaret said; "It's wonderful here. We like the staff – they provide great care and make us feel very comfortable. It's just perfect. It's all we need at our time of life. We can have people to stay and it's a good size. We have a two-bedroom flat with a good-sized lounge, kitchen and shower."

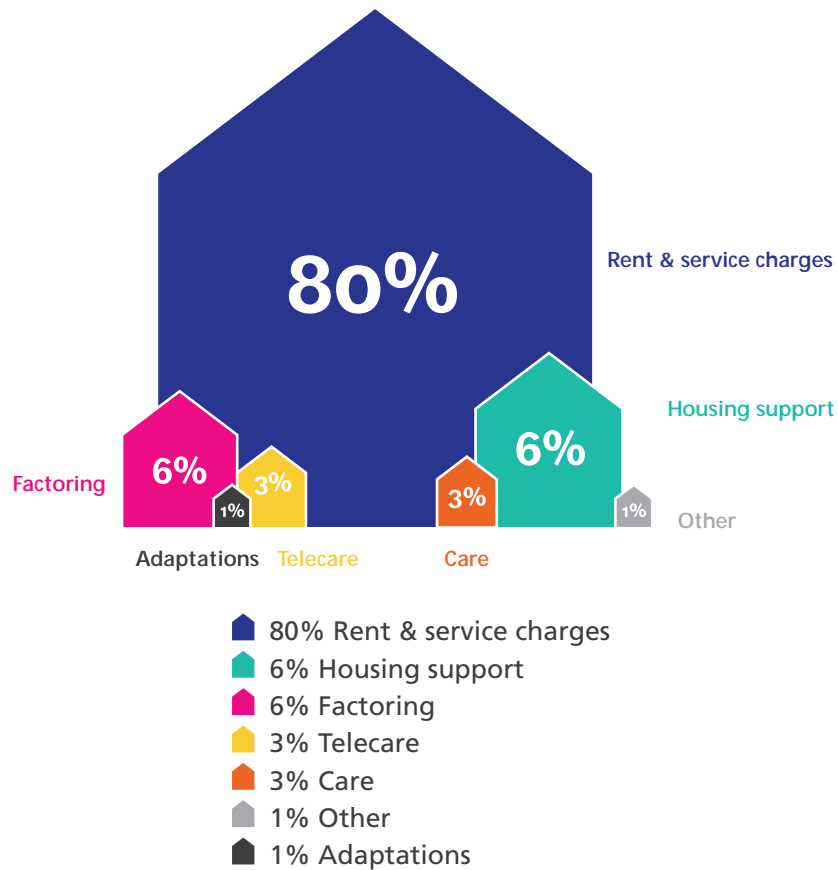
"Varis Court is fine and handy for visiting the town," added Charlie.

Their daughter Elaine, a physiotherapist in an extended care community in Canada helped the couple move to Varis Court. On her return to Canada, she left a note saying: **"Mum, I am so happy, comforted and assured to know you and Dad will be taken care of with compassion and true care and concern. All the staff are wonderful."**



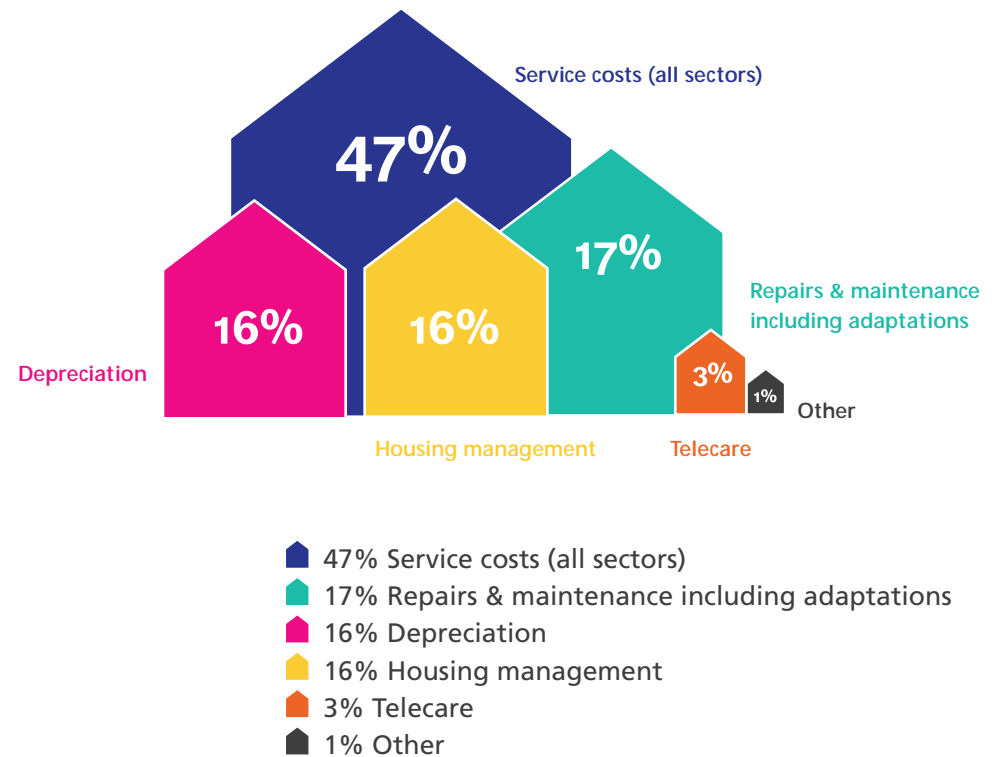
Varis Court,  
Forres

## Income 2016 – 2017



Total Income: £35.3 million

## Expenditure 2016 – 2017



Total Expenditure: £30.7 million



# Hanover (Scotland) Housing Association Ltd

## Statement of Comprehensive Income for the year ended March 2017

	2017 £'000	2016 £'000
Turnover	35,269	32,820
Less: Operating Costs	(30,744)	(28,928)
<b>Operating Surplus</b>	<b>4,525</b>	<b>3,892</b>
(Loss) / Surplus on disposal of assets	69	(64)
Interest receivable and other income	19	52
Interest payable and financing costs	(1,297)	(1,335)
<b>Surplus before taxation</b>	<b>3,316</b>	<b>2,458</b>
Taxation	(4)	(6)
<b>Surplus for the year</b>	<b>3,312</b>	<b>2,452</b>
Exceptional item - re-measurement of SHAPS past service deficit	7,360	
Actuarial Gain/(Loss) on pension obligations	267	(439)
<b>Total comprehensive income for the year</b>	<b>10,939</b>	<b>2,891</b>

Hanover's financial standing remains positive. The final position, in terms of the surplus on ordinary activities after taxation, is £10.7m for the financial year ending 31 March 2017. Of this, £7.4m is a result of the re-measurement of pension provision. The surplus on operating activities is therefore £3.3m, a 32% increase on the previous year's surplus of £2.5m.

The results show that we are financially strong and secure with a £10.9m increase in reserves.

The Board of Management considered the financial results for the year ended 31 March 2017 to be good and demonstrating the financial strength of the organisation.

## Above and beyond

“ Hanover is my five star hotel ”

- Inverkeithing resident

One of our values



## Board members

**Michael Martin** (Chairperson)

**Gary Devlin** ACA CPFA

**Derek Fothergill**

**Oonagh Gil** MRTPI

**Susan Hamilton** MBA CPFA CIRM

**Anne Hendry PhD** (resigned 26 May 2016)

**Ann MacDonald** MCIH

**Professor Sir Geoffrey Palmer** OBE DSc

**Professor Alison Petch** OBE

**Neil Rennick** BArch (Hons)

**Alan Savage** (Vice Chairperson)

**Catherine Wyllie** BA CA

## Officers

**Helen Murdoch** MBA FCIH MRICS ACIPD  
Chief Executive

**Adam Curry** BA (Hons) ACIPD  
Director of Organisational Services

**Mark Farey** BA (Hons) CIHCM MRICS  
Director of Asset Management

**Karen McIntosh** FCCA  
Director of Strategic Finance

**Christopher Milburn** MBA MBCS  
Director of Customer Services

**Claire Kennedy** LLB (Hons) DLP  
Company Secretary





To see what else is going on, visit our website:

**[www.hanover.scot](http://www.hanover.scot)**

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