



## Annual Report and Report Card 2018



# Contents

- 4** Introduction
- 12** Highlights of the year
- 18** Customer Engagement
- 22** Repairs and Maintenance
- 24** Performance Management
- 34** Finances
- 38** Board members
- 39** Officers

West Linton  
Resident



# Introduction

By Chair & Chief Executive



**Helen Murdoch,**  
Chief Executive



**Michael Martin,**  
Chairperson

## **We are pleased to introduce the Hanover Scotland Annual Report and Report Card for the financial year 2017/18**

This has been a very successful year in terms of performance for Hanover on activities carried out by our staff on behalf of our residents. We were delighted to see that the customer satisfaction survey results showed a marked increase in the percentage of tenants satisfied with our overall service and a substantial increase in the percentage of tenants satisfied with the opportunities to participate in Hanover's decision making.

Over the past year, Hanover staff have focused their efforts on embedding our values in everything we do to deliver first class housing and services. Through innovation and a strong identity as a social housing provider that not only delivers today but has an eye to the future needs of older people in Scotland, we continue to grow as an organisation. 2019 will see the 40th anniversary of the Association and we look forward to the new challenges and opportunities that we will face.



**West Linton  
Residents**

2017-2018 saw a number of highlights for us. We welcomed four new Board members; James Rowney of the Royal Bank of Scotland, Fraser Mitchell, retired social worker, Stephen Lithgow from Healthcare Improvement Scotland and Dr Margaret Whoriskey, Director of Technology Enabled Care at the Scottish Government.

On 17 July, First Minister Nicola Sturgeon was taken on an official tour of Varis Court, one of our brand new housing developments for older people in Moray. Varis Court uses pioneering design and research and the delivery of a new approach to bring health care into the community.

During the tour Ms Sturgeon met a number of residents and heard about their experiences of living at the development. She also spoke to staff members and toured the new augmented care unit (ACU). The ACU is made up of five flats providing complex health care in a homely environment, avoiding the need for unnecessary hospital stays. Developed alongside Health and Social Care Moray, the unit has qualified nurses on-hand 24/7 to support patients and provides flats that aspire to replicate the patient's home rather than a hospital environment, aiding recovery.



“

*One of the most important ways to ensure the quality of life of older people is to increase access to safe, affordable homes that enables independent living. I was delighted to visit Varis Court today and meet staff and residents to see first-hand how Scottish Government investment is helping older people to remain living in their own homes, safe and secure, for as long as possible.*

”

Nicola Sturgeon, First Minister



In October, Linkwood View, the new specialist facility in Elgin was awarded Social Housing Development of the Year by Premier Guarantee.

In partnership with Hanover, Springfield Properties built the 30 apartment specialist care facility, specifically for older people, in just over a year. Named Linkwood View by local nursery children, staff from Hanover welcomed the first residents in September 2017.

The facility offers 30 self-contained wheelchair accessible apartments, six of which are tailored to meet the needs of residents with dementia. There are additional apartments for the live-in staff and a communal hub for residents.

In January 2018, Hanover launched its staff survey, 'The Voice', with support from Hive, an employee engagement consultancy.

As part of our drive to attract high quality staff to Hanover, we also produced a short recruitment video for our website. The video showcases the wide range of careers available with Hanover as well as the benefits of working for the organisation.



Linkwood View,  
Elgin



In June 2017, we held our annual staff conferences in Stirling. The theme of the days was creating great teams and the events garnered very positive feedback from the staff who attended.

Staff said they felt:

*"very valued as an employee. It is rare for organisations these days to give time or money to staff events and it is a credit to Hanover that they still do as it makes such a difference to meet everyone and feel a part of things. Thanks again."*

*"Happy, confident that I am working within a team that motivates one another."*

We had an excellent turn out for our Annual General Meeting this year, with more than 80 Association Members, staff and other guests gathering at our headquarters in Edinburgh.

This was our first AGM to be attended by members of Hanover HEART, our new customer panel. HEART members are drawn from our residents and the role of the panel is to work together with staff to consider how Hanover's services are delivered and what improvements can be made.

The gathering was also treated to a presentation by award winning cartoonist Tony Husband about his book 'Take Care, Son', which documents his father's battle with dementia in a humorous but moving way.

Finally, a number of staff, both individuals and teams, were presented with awards for outstanding service, leadership and development.



# Highlights of the year

## New Residents' Portal

Hanover wanted to give residents the option to make rent and service charge payments online and also to report repairs, so we launched a Residents' Portal.

The Residents' Portal is an internet based, secure site where tenants can access details about their rent and service charge accounts as well as make payments and report repairs. They can also check on the status of maintenance work for their property as well as update their contact details.

The Portal can be found on the Hanover website in the section called Residents' Area. The portal is a secure site and the information is password protected.

## WiFi rollout

By 31 March 2018, we had rolled out WiFi to the communal areas of nearly 20 of our developments. We aim to complete the process with around 100 more developments over the next year.

## Safe Candles Campaign

In association with National Candle Safety Week which took place during October 2017, Hanover Scotland launched a campaign in partnership with the Scottish Fire and Rescue Service (SFRS) to reduce the number of fires caused by candles in its developments.

We worked with the SFRS to provide information and electric candles as an alternative to wax candles. We displayed fire safety information at all of our sites and offered free sets of candles to our residents.



### **Launch of the Scottish Ethnic Minority Older People Forum in February 2018**

The purpose of the forum is to engage with policy makers and service providers to influence and improve services for ethnic minority older people in Scotland.

The launch of the forum at the Scottish Parliament in February marked the culmination of very positive work done as part of an innovative project supported by Hanover, Bield and Trust Housing Associations in conjunction with the Big Lottery Fund.

### **Possible partnership with Arklet Housing Association**

In late 2017, Hanover began work on an exciting new opportunity for a partnership with Arklet Housing Association, based in Giffnock.

In early 2018, we entered into formal discussions regarding a possible partnership and our early talks highlighted a strong synergy of values, ideas and a shared vision for the future.

Arklet announced in Spring 2018 that Hanover is their preferred partner. A formal and very important process of negotiation and due diligence has begun to ensure that any partnership formed is robust and sustainable.

### **Morris Court in Dalry receives five star rating from the Care Inspectorate**

Hanover's Morris Court in Dalry has retained its scoring of 'five' in every area after its recent inspection by the Care Inspectorate.

Inspectors spoke to residents, relatives and staff at the Housing with Care development in January 2018 and their report highlighted that the overall quality of care and support was very good, and that residents felt that staff had a good understanding of their care needs.

Residents added that care staff always respected their choices and took the time to get to know their routines.

The report also highlighted that the quality of Leadership and Management was very good and there was a supportive and open door approach to staff, residents and families.

Comments from residents included;

*"I enjoy living at Morris Court, staff know me well"*

*"I know my family member is well looked after and that I am kept informed of any changes of wellbeing".*



## Awards and accreditation

- Linkwood View awarded Social Housing Development of the Year by Premier Guarantee
- Investors in People Bronze status – retained in 2017/18. We are waiting to hear whether we have attained Silver status in 2018;
- Disability Confident Employer Certificate – awarded September 2017 to September 2018;
- Healthy Working Lives status – retained in 2017/2018
- Telecare Services Authority – accreditation retained in 2017/18



Linkwood View wins Social Housing Development of the Year

## Development Anniversaries

Several of our developments celebrated significant anniversaries:

- Windlaw Court, Glasgow, 30
- Linn Coort, Buckie, 20
- Glengowan Court, Larkhall, 15
- Hanover Court, Castle Douglas, 35
- Blackfriars Court, Glasgow, 25
- Mill Court, Kilmarnock, 30
- Hanover Court, Tarves, 35
- Parkway Court, Alloa, 25
- Glen Gardens, Elderslie, 25
- Sivewright Court, Kincardine, 20
- Langcraigs Court, Paisley, 25
- Kings Park Mews, Glasgow, 30
- Eglinton Court, Saltcoats, 35



West Linton  
Resident

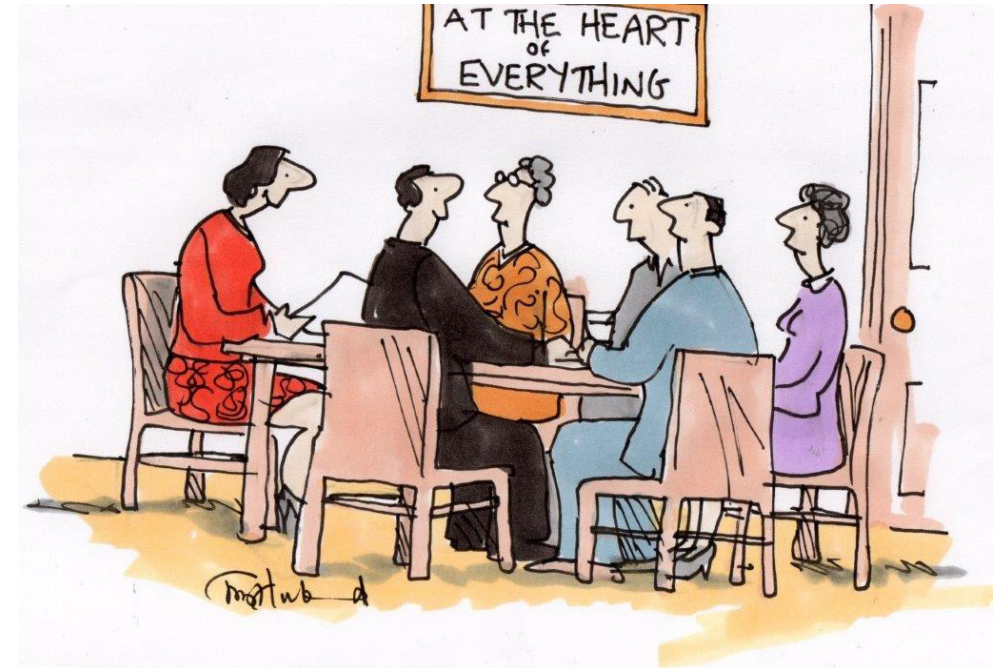


# Customer Engagement

## Customer Engagement Strategy.

The strategy was launched on 1 April 2017 and covers the period 2017 - 2020. The purpose of this Strategy is to ensure that we have the structures and mechanisms in place to facilitate effective customer engagement. This will empower customers, improve services and create robust accountability within a framework of co-regulation and service improvement.

The overarching Strategy is supported by a detailed Action Plan that sets out timescales for each piece of work. A customer facing document 'Getting Involved' has also been produced to outline our Customer Involvement Options.



From here you can see customer engagement all over Scotland!



## Getting Involved

Our Getting Involved guide was launched at an event in Edinburgh on May 25 2017. The launch was attended by award winning illustrator Tony Husband, who kindly provided the cartoons in the document. Every Hanover resident receives a copy of the guide, which sets out the wide range of opportunities for Hanover customer to get involved in helping to shape the organisation.

## Customer Panel

The Hanover HEART customer panel is made up of Hanover tenants and its role is to review, as 'critical friends', the performance and delivery of services by Hanover. HEART stands for Honest, Empowered, Accountable, Representative and Trusting and these qualities mirror Hanover's core values. HEART members decided to examine landscaping. The reason for this was that landscaping appeared as one of the top three dissatisfaction categories in the 2016 Customer Satisfaction Survey results.



## Volunteering

Our work on recruiting volunteers and encouraging customer engagement goes from strength to strength. A recent highlight was the award of a £2,000 grant from the Lintel Trust to the Hanover Court Social Group in Dunfermline. The money will support an exciting programme of events aimed at combatting social isolation and loneliness.





Kesson Court,  
Elgin



# Repairs and Maintenance

The total value of our repairs and maintenance investment during the year was £8.759m. Through our planned maintenance programme as part of this we delivered new kitchens, bathrooms, heating and windows to 697 residents.

The year saw us invest £360,000 on adaptations in 105 properties to make life more comfortable for our residents and allow them to live more independently.

We completed 61 new homes in the year across three sites with a further 38 on site at the year end. We'll start another 59 homes during 2018/19, one of them to full Passivhaus standards.

We undertook our first two schemes of replacing electric storage heating with gas central heating. Rooted in customer demand for a more controllable and effective heating system such a change has been given added impetus by the need to reach government energy efficiency targets for 2020.

The new heating proved exceptionally popular with residents. We'll be more doing ten more such schemes over the next three years. Close to the end of the year we received notification we'd been successful in gaining a £232,000 grant from the Warm Homes Fund towards the cost of these.

We're committed to improving the energy efficiency of our houses and listening to our customers and therefore intend to do as many more such conversions as possible in the future.

Good progress continues to be made towards the December 2020 target for meeting the Energy Efficiency Standards 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 2018, our compliance rate was 93.3%. Surveys have been completed on all our stock and EPCs are in place. The remaining compliance work is programmed over the next two years so we maximise our compliance by 2020.

We have an ongoing commitment to building and maintaining high quality housing and investing in our existing stock.

“The new heating system has saved me money despite the long cold winter this year.”

Livingston Resident



# Performance Management

The following pages contain the information that makes up Hanover's performance Report Card for the period April 2017 to March 2018. This information is based on data we provide to the Scottish Housing Regulator annually; a more detailed version is available on the Regulator's website ([www.scottishhousingregulator.gov.uk](http://www.scottishhousingregulator.gov.uk))

Average Weekly Rents				
Size of home	Numbers owned	Hanover's rent	Scottish Average	Difference
Bedsit / Studio	27	£98.69	£67.44	46.3%
1 Bedroom	3287	£109.46	£73.33	49.3%
2 Bedroom	553	£110.77	£74.94	47.8%
3 Bedroom	115	£107.18	£81.37	31.7%
4 Bedroom	11	£104.88	£90.39	16%

The rent charge reflects the quality of the properties provided by Hanover to our tenants. These are higher than Scottish average rents because our developments as well as being built to a high standard also often include communal areas, lifts and laundries. We survey tenants every year to ask what rent levels they think are appropriate. We will continue to do this.

We received lots of feedback from our customers through the Customer Satisfaction Surveys. Our customers told us:

## ■ We need to improve how we communicate with customers

We know that communication with our customers is important. We have a number of ways we provide you with information including the Grapevine newsletter and we display information on notice boards at developments. As part of their scrutiny work, the HEART customer panel will consider communications within the area they are scrutinising. We hope to deliver improvements in this area.

## ■ You would like more activities on developments

Development Managers assist in facilitating a variety of different activities across developments. We can give support to set up residents groups by providing information about how to set a group and become properly constituted to helping to find funding. We have a Volunteer Coordinator who can link developments up with Volunteers for specific projects.

## Getting Good Value

	Hanover		Peer Group
	2016-17	2017-18	2017-18
	Actual	Actual	Median
<b>Rent Arrears and Collection</b>			
Rent collected from current and former tenants as % rent due	101.79	100.69	99.83
Rent arrears of current tenants as % rent due (excluding voids)	0.49	0.70	2.61
Rent arrears of current tenants net of unpaid HB as % of rent due	0.28	0.24	2.19
Rent arrears of current and former tenants written-off as % rent due	0.17	0.80	1.26
Rent Loss (£000's) due to empty properties (voids)	234	522	-
Rent loss due to empty properties (voids) as % rent due	1.46	1.95	1.65
<b>Void Works and lettings</b>			
Average re-let time in days (standard re-lets)	30.05	30.29	30.29
Percentage of properties accepted on first offer	78.16	66.00	77.50
Number of tenancies terminated as % of properties managed	14.91	16.35	-

Our performance in void management has dipped slightly in the last year. We are closely monitoring this and we are looking at how we can improve our processes to make sure we are letting properties as quickly as we can. When the offer of a property is refused we record the reason for this. The main reasons for refusal were health reasons and financial reasons. Applicants may also refuse offers due to the size of the properties.

## Telecare

	Hanover		Peer Group
	2016-17	2017-18	2017-18
	Actual	Actual	Median
<b>Other Hanover Indicators</b>			
Telecare Response within 60 seconds (percentage)	92.63	91.2	-
Percentage of factored owners satisfied with the factoring service they receive	82.40	70.90	70.90
Average annual management fee per factored property	£296.43	£310.18	£310.18

Hanover provide a Telecare service to many of our tenants as well as deliver this service to other housing providers. Our percentage of calls responded to within 60 seconds dipped slightly in 2017/18. We are currently undertaking a recruitment drive to increase the number of Telecare operators working in the service.

“**Hanover Telecare is a life and limb service.**”

Argyll and Bute Health and Social Care



## Housing Quality and Maintenance

	Hanover		Peer Group
	2016-17	2017-18	2017-18
	Actual	Actual	Median
<b>Major Works and Cyclical Maintenance</b>			
Hanover homes meeting the Scottish Housing Quality Standard	95.85	97.07	99.60
Percentage of properties that require a gas safety record which had a gas safety check and record completed by the anniversary	99.01	96.91	100
<b>Responsive Repairs</b>			
Average length of time taken to complete emergency repairs (hours)	3.34	3.50	3.50
Average number of working days taken to complete non-emergency repairs (urgent and routine)	4.73	4.43	5.51
Percentage of repairs completed right first time	95.70	95.10	94.08
Percentage of tenants satisfied with repairs and maintenance carried out in the last year	85.61	87.82	88.89

**More than 95% of repairs carried out in the last year were completed right first time.**

The percentage of tenants satisfied with repairs and maintenance has improved on the 2016/17 results. Feedback from customers told us that repairs and maintenance are important. We have agreed timescales with our contractors for them to respond to repair enquiries and we monitor how our contractors perform.

Due to an administrative error in recording the installation dates of new boilers, some gas safety checks were not completed by their anniversary date. This has now been resolved and we expect an improvement in this indicator in the coming year.

The replacement cycle of kitchens, bathrooms, windows and other significant components of properties is based on a 30 year plan. These components are replaced at the end of their life span. We manage this to maintain the Scottish Housing Quality Standard and to achieve the Scottish Energy Efficiency Targets.

We have 115 properties that are exempt from meeting the Scottish Housing Quality Standard. One property cannot be brought up to the standard due to the kitchen area being too small. The other properties are exempt for energy efficiency reasons. These properties are included in our plan to meet the Energy Efficiency Standard in Social Housing (EESH).

## Neighbourhood and Community

Hanover	Peer Group	
	2016-17	2017-18
Actual	Actual	Median

### Managing Tenancies

Antisocial behaviour cases reported per 100 homes	1.03	1.10	3.64
Percentage of ASB cases reported in the last year resolved within locally agreed targets	90.00	91.11	94.51
Percentage of tenants satisfied with the management of the neighbourhood they live in	81.00	85.45	86.32

Although the percentage of Antisocial Behaviour (ASB) cases resolved within locally agreed targets has improved, the HEART Tenant Scrutiny Panel are reviewing how we deal with ASB cases in order to make recommendation on how we can improve further.

The satisfaction with the management of neighbourhoods has improved since 2016/17 and we hope to improve further during the coming year.

The HEART panel were also involved in the new landscaping contract and will continue to be involved in the review of the performance of contractors. Tenants had told us through the 2017 survey that the performance of some landscape contractors could be better. The new contract will deliver improvements here.

Another area tenants told us was an issue is car parking at developments. It is often difficult to increase the number of parking bays however where this can be done cost effectively we will investigate the options, and this has been done at some developments by reducing the garden area. We are also asking staff to challenge any residents or visitors who do not park in a considerate way.

We have improved car parking signage at one development and we will consider others for improved signage at which parking is a concern.

**“ It was very helpful in having a customer perspective and input at every stage of the process. ”**

Mark Farey, Hanover's Director of Asset Management on working with the HEART Panel on the landscaping procurement exercise



## Corporate Health

	Hanover		Peer Group
	2016-17	2017-18	2017-18
	Actual	Actual	Median
Corporate Health			
% of staff turnover in year	11.68	15.00	15.40
% of working days lost through staff sickness	4.41	5.50	3.80

The Association supports employees to adopt healthier lives. We currently hold Healthy Working Lives status and we have retained Bronze Investors In People status. The Association was also awarded the Disability Confident Employer certificate. We know that staff availability is important to our tenants so we have increased staff to offer cover where it is required. We will continue to monitor sickness levels throughout the organisation.

**More than 92% of our tenants are satisfied with the overall service provided by Hanover.**

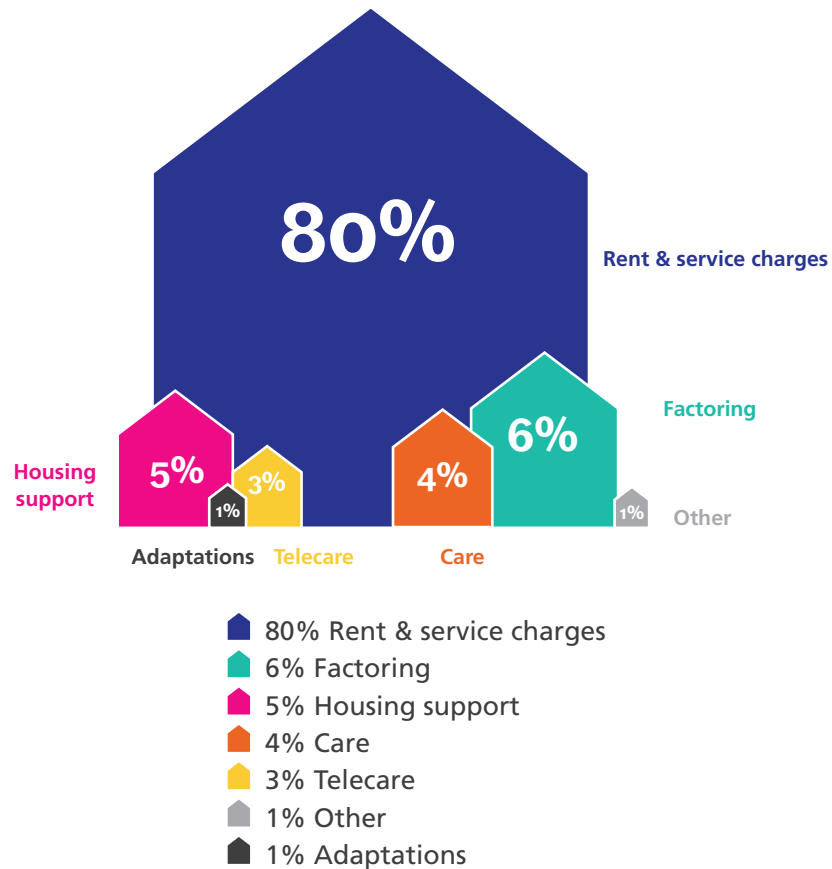
## Satisfaction

	Hanover		Peer Group
	2016-17	2017-18	2017-18
	Actual	Actual	Median
Tenant Satisfaction			
Percentage of tenants satisfied with overall service provided by Hanover	86.05	92.32	89.63
Percentage of tenants satisfied Hanover is good at keeping them informed about services and outcomes	83.05	89.73	88.14
Percentage of tenants satisfied with the opportunities to participate in Hanover's decision making	66.76	78.47	75.26
Customer Contact and Complaints			
Percentage of stage 1 complaints upheld (fully or partially)	64.29	69.41	71.43
Percentage of stage 1 complaints responded to within SPSO timescales	85.71	91.37	91.37
Percentage of stage 2 complaints upheld	55.77	52.24	66.67
Percentage of stage 2 complaints responded to within SPSO timescales	94.23	94.03	100.00

The percentage of tenants satisfied with the overall service provided by Hanover has improved since 2016/17. A further Customer satisfaction survey is being carried out in 2018 to monitor the ongoing satisfaction with the services we provide. To ensure that we are delivering an excellent service, we are reviewing how we handle complaints. This includes how long we take to respond as this is an area we are looking to improve.

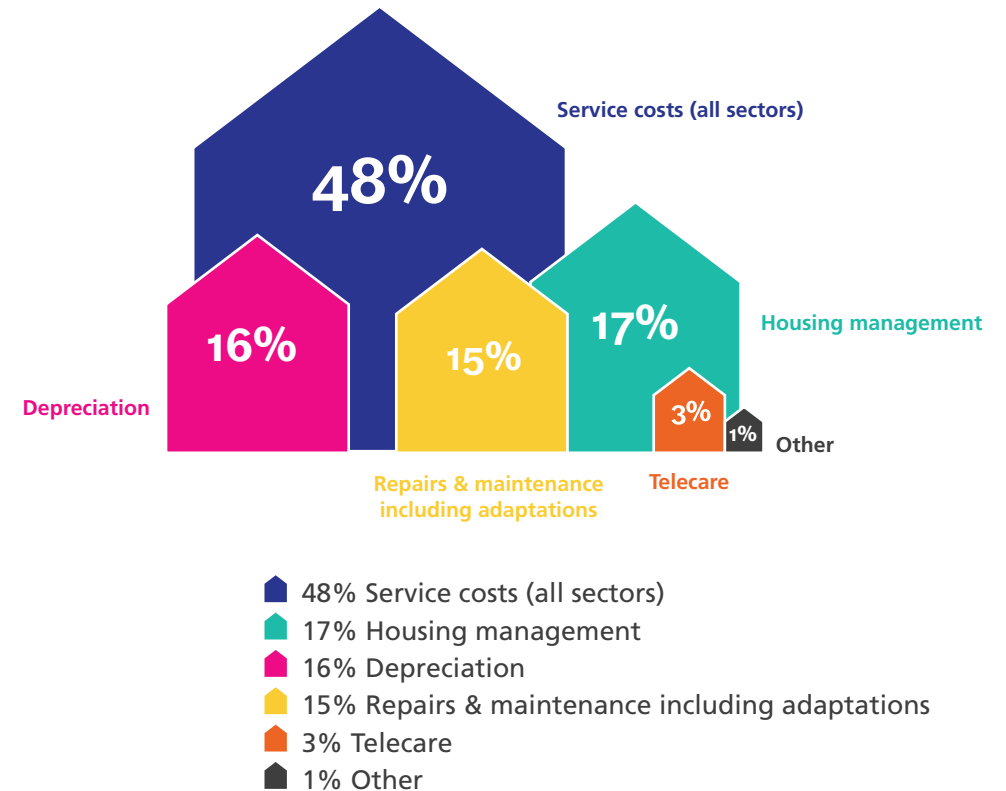
# Finances

## Income 2017-2018



Total Income: £36.3 million

## Expenditure 2017-2018



Total Expenditure: £31.9 million



# Hanover (Scotland) Housing Association Ltd

## Statement of Comprehensive Income for the year ended 31 March 2016

	2018 £'000	2017 £'000
Turnover	36,289	35,269
Less: Operating Costs	(31,853)	(30,744)
<b>Operating Surplus</b>	<b>4,436</b>	<b>4,525</b>
(Loss) / Surplus on disposal of assets	(87)	69
Interest receivable and other income	4	19
Interest payable and financing costs	(1,127)	(1,297)
<b>Surplus before taxation</b>	<b>3,226</b>	<b>3,316</b>
Taxation	(1)	(4)
<b>Surplus for the year</b>	<b>3,225</b>	<b>3,312</b>
Actuarial Gain/(Loss) on pension obligations	(403)	267
<b>Total comprehensive income for the year</b>	<b>2,822</b>	<b>10,939</b>



Total repairs and maintenance expenditure, including capitalised maintenance of £3.6m, was £8.13m this year, and demonstrates our commitment to continued investment in our properties. This investment results in our residents benefitting from new kitchens, bathrooms, doors, windows and heating. This year we spent £328k on adaptations on 105 properties making life more comfortable for our residents and allowing them to live more independently. We also completed 61 new homes in the year and work is underway on a further 82 across 3 developments.

The Board of Management considered the financial results for the year ended 31 March 2018 to be good and demonstrated the financial strength of the organisation.

“ My wife and I moved into our flat 20 years ago and we’ve never looked back. ”

Kincardine resident

## Board members

**Michael Martin** (Chairperson)

**Gary Devlin** ACA CPFA

**Derek Fothergill**

**Oonagh Gil** MRTPI

**Susan Hamilton** MBA CPFA CIRM (retired in June 2017)

**Ann MacDonald** MCIH (retired in September 2017)

**Professor Sir Geoffrey Palmer** OBE DSc

**Professor Alison Petch** OBE

**Neil Rennick** BArch (Hons) (retired in November 2017)

**Alan Savage** (retired in September 2017)

**Catherine Wyllie** BA CA (Vice Chairperson)

**James Rowney**

**Fraser Mitchell**

**Stephen Lithgow**

**Dr Margaret Whoriskey**

## 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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