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From Mike Martin, Hanover Chair

Well, it's been quite a year! Covid has touched us all, at best it has been massively disruptive but for some it has been devastating and traumatic.

All on the Hanover Board wish to express our deepest sympathies with all the families and loved ones who have lost someone to Covid. We have avoided the dreadful level of deaths that occurred across many Care Homes, but we have lost a number of our residents while other residents and staff have been severely ill with this awful virus. Let's hope that with the support of the vaccine we can return to something approaching normality.

Our staff have been amazing during the most challenging of years. Due to our excellent IT support we were able to move smoothly from being office based to homeworking while continuing to work efficiently and effectively. While we have had to reduce the level of "on site" working at our developments we have ensured that our residents are well supported and in our very sheltered developments care and support staff have continued to be present, providing direct care for residents. The Board really

do acknowledge and appreciate the care and commitment that all our staff have displayed - Thank you.

While Covid may have dominated there have been other significant changes during the year. Our longstanding Chief Executive, Helen Murdoch retired last Christmas after 13 years at the helm. During her period in charge Helen led a transformation with Hanover shifting its focus toward providing care in addition to housing management and improving the design and quality of new build developments. This is all the more impressive as it has been achieved during a sustained period of financial pressures. We thank Helen for her insightful leadership and wish her well in her retirement.

During the year our Director of Asset Management, Mark Farey also retired and we are grateful for the good work he carried out during his period with us, improving the efficiency of his department and overseeing improvements to our new build and major renovations programme. Our thanks and best wishes also go to Mark.

We have been successful in recruiting two excellent people to fill these critical vacancies. Our new Director of Asset Management is Jo Voisey who brings with her considerable experience from the housing sector along with strong organisational and personal skills. Our new Chief Executive is Angela Currie who also has substantial skills and experience born from many years working in the Housing Association sector. Angela is only the 3rd Chief Executive that Hanover has had in its 40 years and the 1st external appointment and I am really impressed by the way she has settled into the post, sharing Hanover's core values of quality and care while also bringing a fresh perspective that constructively challenges accepted norms. I believe we now have a really effective Executive Leadership Team with a good balance between continuity and innovation.

During the year we have also recruited a number of new Board members that increases the range and depth of skills and experience we have to provide overall strategic governance for an organisation with an annual budget in excess of £30 million. The

Board are all volunteers and I am deeply grateful for the contributions, commitment and expertise they individually and collectively bring to our Board.

Finally, this is my last Annual Report as I shall be standing down from the Chair's position at the AGM. It has been a privilege to be a Board member of Hanover for the last 17 years and as Chair for the last 6 years. Hanover is a great organisation with terrific people that will continue to grow, develop and improve over the coming years. Thank you to everyone at Hanover for your support and encouragement and I wish everyone the very best of good fortune in creating opportunities and meeting the challenges that the future will undoubtedly bring.



Mike Martin, Hanover Chair

From Angela Currie, Chief Executive

Joining the organisation as Chief Executive in January – whilst in the middle of a global pandemic has been an interesting experience! I'm really grateful to everyone on the Board and all our teams who have made me feel incredibly welcome and have spoken openly and honestly about the wonderful things that make Hanover the great organisation that it is, and suggesting what can be improved. As a systemically important organisation in the social housing sector, I want to build on the great legacy created over the past 42 years and enhance our ability to provide high quality affordable housing for older people.

Recovering from the impact of the pandemic will take time. We have been impacted in so many ways, many of which our Chair has mentioned in his remarks. While we have adjusted to living with the virus, the focus has shifted onto our Recovery & Renewal and what Hanover of the future will look like and what it will deliver to our customers. This plan, along with our new strategy will help to steer us through the next phase of our exciting journey. This focus will help us to deliver on our key themes

of being customer focused, digital by design and effective and efficient. Our new theme of being sustainable will help address our ambition to achieve net carbon zero targets and our new strategy will identify the key milestones we need to achieve on the way.

Hanover truly values the views of customers and we've made a commitment to improve satisfaction in the coming years as well as use the pandemic to reset our engagement with our tenants. Technology will help us, it won't replace the high quality face to face engagement that we do well but it will streamline how we work and create better working practices. We can't ignore the challenges we face with high void levels and the impact that has had on our business. We are working closely with our partners to share ideas and solutions and ensure that those in housing need can access our homes along with the care and support services they need.

It is also a time of opportunity as the Review of Adult Social Care and consultation on the National Care Service provide a huge opportunity for Hanover to

influence the direction of national policy and service provision. We plan to submit a response and will engage with the national groups to work towards a better system in Scotland and one that puts the right to housing at the centre.

I cannot finish without saying two enormous thank yous. Firstly to all our teams who've worked tirelessly through the pandemic and shown the compassion and resilience that makes Hanover so great. Secondly, to Mike Martin our Chair who has been so instrumental in our journey since joining the Board 17 years ago. Many of you will know Mike has been a leading light in the fight to bring housing, health and social care together in his career. We have benefitted from this wisdom and insight which has helped us deliver a new model of housing with care over the past few years and meeting a great deal of need. Hanover will forever be in your debt. I'm looking forward to what will no doubt be a challenging year but an exciting one with a fresh Executive Team and a renewed sense of purpose and direction with our Board.



Angela Currie, Chief Executive

Customer Engagement

Hanover Buddies

During the initial stages of lockdown, our main concern was to ensure that residents had what they needed. We engaged with almost all of our residents to see if they had provisions in place for food deliveries and other essential items like prescriptions. To combat loneliness Hanover team members were asked to “step up” and make phone calls to residents. This led to a number of staff across all levels and teams making calls and became our Hanover Buddies scheme.

Over 400 residents took up the offer of a regular call, however, as lockdown progressed and restrictions were lifted, this number reduced to around 100 residents receiving a regular call.

One of the Hanover team who took part in Hanover Buddies was Administrative Assistant Susan Owens who said: “The value of the scheme goes both ways – speaking to residents has been wonderful and given me a real sense of purpose during the pandemic. I feel I have made new friends!”

▶ *“Susan has been wonderful throughout lockdown. The calls get me through to another week, I don’t think I would have coped without them as I have nobody. Susan has also got me a wonderful befriender called Lisa who has also been calling me and she is marvellous too. I was delighted to meet up with Lisa face to face last week. Hanover have been wonderful!!”*

- Hanover Resident

Digital skills development

From February 2021, we carried out a pilot to get a small number of residents online. We identified a group of residents with no digital skills or devices and provided a loan device and mobile data to help get them online. The Team ran telephone training sessions to support them to use a tablet device and get started online. By the end of the programme, participants were able to connect to the internet, browse websites and join in with a video call. The pilot was successful and the digital training programme will be rolled out further during 2021-22.

Zoom Coffee Mornings

We started hosting weekly coffee mornings with residents to provide an opportunity to chat face to face, albeit virtually. The sessions are informal and have continued. They allow residents to meet others from different areas and supports the use of digital ways of keeping in touch.

HEART - Our Customer Panel

Communication with HEART continued during lockdown and some members of the group met via Zoom to carry on their work as the scrutiny panel. They were involved in reviewing the Customer Engagement Strategy and gave feedback on different topics. The panel members have found taking part online an advantage and will consider how they make use of digital ways of working in the future.



Repairs and Maintenance

2020/2021 saw significant challenges for Asset Management in Hanover. Covid brought with it the highly unusual step of having to reduce our reactive repairs service to emergency only and largely halt our planned programmes. All the work we had planned to do to ensure improvements to our customers' homes stopped.

Despite the restrictions lifting at the end of April 2021 we were not able to return to normal immediately; we had over 400 reactive repairs on hold and that doesn't include the work which our customers did not report during Covid and which started to be reported.

In terms of planned works, of course every other housing association rushed to get their works back on line and so it has taken a bit of time to remobilise and it will, unfortunately take longer to catch up. Our customers have however been and continue to be incredibly patient and we are looking at ways to improve our communication around the planned programme.

We did, despite Covid, manage to deliver new units at Spynie 2, Elgin and Highland Yard, Buckie. These developments have been built to a high standard including larger space standards and will provide 56 units to meet housing need in the area. Three units at Spynie are specifically for learning disabled customers and are creating real opportunities for independent living.

The Asset Management team also saw the arrival of a new Director in February 2021. Jo has come from a community based Housing Association and is busy looking at how we continually improve our asset management function to ensure continuous improvement in our services.



Coping with Covid

The Covid-19 pandemic meant that many of the things we take for granted could not be enjoyed. However, there were plenty of examples of residents, staff and volunteers who stepped up to help out and make a difference to people in their communities.

Staff

Mercer Court, Innterleithen care staff contributed to the clap for carers by dressing up and showing off their best dance moves. They shared the videos on the Hanover residents' Facebook page, Hanover Blether.



Staff at Mercer Court



Volunteers & Residents at Burnside Court

Amazing Volunteers and Local Communities

Volunteers from the Better Buckie Initiative, in partnership with Moray Food Plus, delivered a tasty treat for each of the tenants at Burnside Court in Buckpool and Hanover Court in Buckie, a full three course meal with heating instructions included where necessary.

Coping with Covid

Hanover Residents

Elizabeth King, a resident at Hanover Court in Livingston used her spare time during lockdown to make scrubs for her local hospital. She used her extensive sewing knowledge to make the scrubs, which have been used by the hospital staff at St Johns Hospital during the busiest times of the pandemic.

Mrs King raised funds from friends, relatives and fellow residents to purchase enough bales of fabric to make the scrubs. What a fantastic achievement!



Local entertainers

There were plenty of instances of local singers, dancers and musicians coming along to provide socially distanced entertainment for residents, often in the gardens or car parks of developments! Janet Meier, manager at Hanover Court in Livingston, arranged for a piper to come along and serenade the residents from the grounds of the development.

► *“It was a glorious day and many of the residents sat outside their cottages in the sunshine to listen as the piper played their requests.”*

- Janet Meier



Performance Report Card 2020/21

This is Hanover's Performance Report Card for the period April 2020 to March 2021. This information is based on data we provide to the Scottish Housing Regulator annually.

After consulting with a group of residents, we have included peer group comparisons. Our peer group is made up of similar housing providers that we can directly compare ourselves with. They are specialist housing providers.

Our peer group is:

- Barony Housing Association
- Key Housing Association
- Trust Housing Association
- Bield Housing & Care
- Blackwood Homes and Care
- Loretto Housing Association
- Scottish Veterans Housing Association
- Ark Housing Association
- Viewpoint Housing Association

The ARC return for 2020-21 includes data relating to the former Arklet Housing Association stock.

Average Weekly Rents				
Size of home	Numbers owned	Hanover's Rent	Scottish Average*	Difference from Scottish Average
Bedsit/studio	24	£107.23	£73.61	47.5 %
1 Bedroom	3462	£124.12	£79.48	56.2 %
2 Bedroom	747	£127.82	£82.60	54.7 %
3 Bedroom	156	£115.25	£89.81	28.3 %
4+ Bedroom	15	£116.25	£99.97	16.3 %

*Peer group average is not available for this indicator.

Getting Good Value

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Rent Arrears and Collection					
Rent collected from current and former tenants as a percentage of rent due	101.49 %	100.04 %	100.29 %	99.25 %	99.1 %
Rent arrears of current and former tenants as a percentage of rent due (excluding voids)	0.67 %	1.23 %	1.05 %	1.97 %	6.14 %
Rent arrears of current and former tenants written off as a percentage of former tenant arrears	39.6 %	58.75 %	38.34 %	51.05 %	N/A

During a challenging year, we have continued to manage rent well. Rent arrears are lower than our peer group average and significantly lower than the Scottish national average.

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Void Works and Lettings					
Average re-let times in days (standard re-lets)	35.99	41.18	95.59	91.80	56.29
Percentage of tenancy offers refused during the year	35.93 %	29.48 %	36.72 %	21.89 %	31.94 %
Percentage of lettable self-contained houses that became vacant in the last year	15.7 %	14.16 %	12.88 %	12.34 %	6.95 %
Rent loss (£000's) due to empty properties (voids)	£595,836	£696,874	£1,192,915	N/A	N/A
Rent loss due to empty properties (voids) as a percentage of rent due	2.12 %	2.19 %	3.62 %	4.26 %	1.37 %

The impact of Covid-19 has had a significant impact on our ability to let houses during the year. This has resulted in longer times to re-let properties and therefore a higher rent loss due to properties being empty. The management of letting properties has been a focus for Hanover as we work to bring the number of void properties to pre-pandemic level.

Housing Quality and Maintenance

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Major Works and Cyclical Maintenance					
Hanover homes meeting the Scottish Housing Quality Standard	97.93 %	98.93 %	98.93 %	97.45 %	90.96 %
The number of times Hanover did not meet its statutory duty to complete a gas safety check.	5	68	103	N/A	N/A
Average length of time taken to complete emergency repairs (hours)	3.61	3.72	3.97	4.17	4.22
Average number of working days taken to complete non-emergency repairs (urgent and routine)	5.16	5.88	6.45	5.30	6.74
Percentage of repairs completed right first time	96.40 %	95.76 %	97.36 %	91.83 %	91.46 %
Average time to complete adaptations (days)	201	127	98.10	92.8	58

During the year the focus has been on completing emergency repairs. Our average time to complete an emergency repair has remained within our target time of 4 hours. Due to the periods of lockdown, we have a backlog of non-emergency repairs and therefore the average days to complete them has increased.

Lockdown and other issues related to Covid-19 affected our ability to carry out gas safety checks within the required timescale. These have now all been completed, albeit out with the statutory time.

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Managing Tenancies					
Percentage of anti-social behaviour cases reported in the last year which were resolved	87.88 %	93.48 %	95.95 %	97.12 %	94.4 %

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Staff Indicators					
Percentage of staff turnover in year	13.4 %	12.36 %	11.55 %	N/A	N/A
Percentage of working days lost through staff sickness	4.35 %	4.99 %	5.75 %	N/A	N/A

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Telecare and Factoring					
Telecare response within 60 seconds (percentage)	87.18 %	89.96 %	90.63 %	N/A	N/A
Average annual management fee per factored property	£317.79	£330.86	£342.89	£298.70	£103.12

Satisfaction

	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Tenant and Resident Satisfaction					
Percentage of tenants satisfied with the overall service provided by Hanover	89.63 %	85.12 %	81.53 %	85.29 %	88.95 %
Percentage of tenants satisfied Hanover is good at keeping them informed about services and decisions	88.76 %	83.67 %	81.72 %	84.22 %	91.71 %
Percentage of tenants satisfied with the opportunities to participate in Hanover's decision making processes	75.09 %	73.63 %	64.87 %	68.89 %	86.57 %
Percentage of tenants satisfied with the quality of their home	90.35 %	88.45 %	85.12 %	89.09 %	87.14 %
Percentage of tenants satisfied with repairs and maintenance carried out in the last year	85.69 %	86.23 %	85.62 %	90.83 %	90.05 %
Percentage of tenants satisfied with Hanover's management of the neighbourhood	86.12 %	73.79 %	75.05 %	76.66 %	86.08 %
Percentage of tenants who think Hanover rent is represents good value for money	84.50 %	82.85 %	76.47 %	77.97 %	82.77 %
Percentage of tenants satisfied with the landscape maintenance at your development (new in 2019-20)	N/A	68.22 %	74.34 %	N/A	N/A

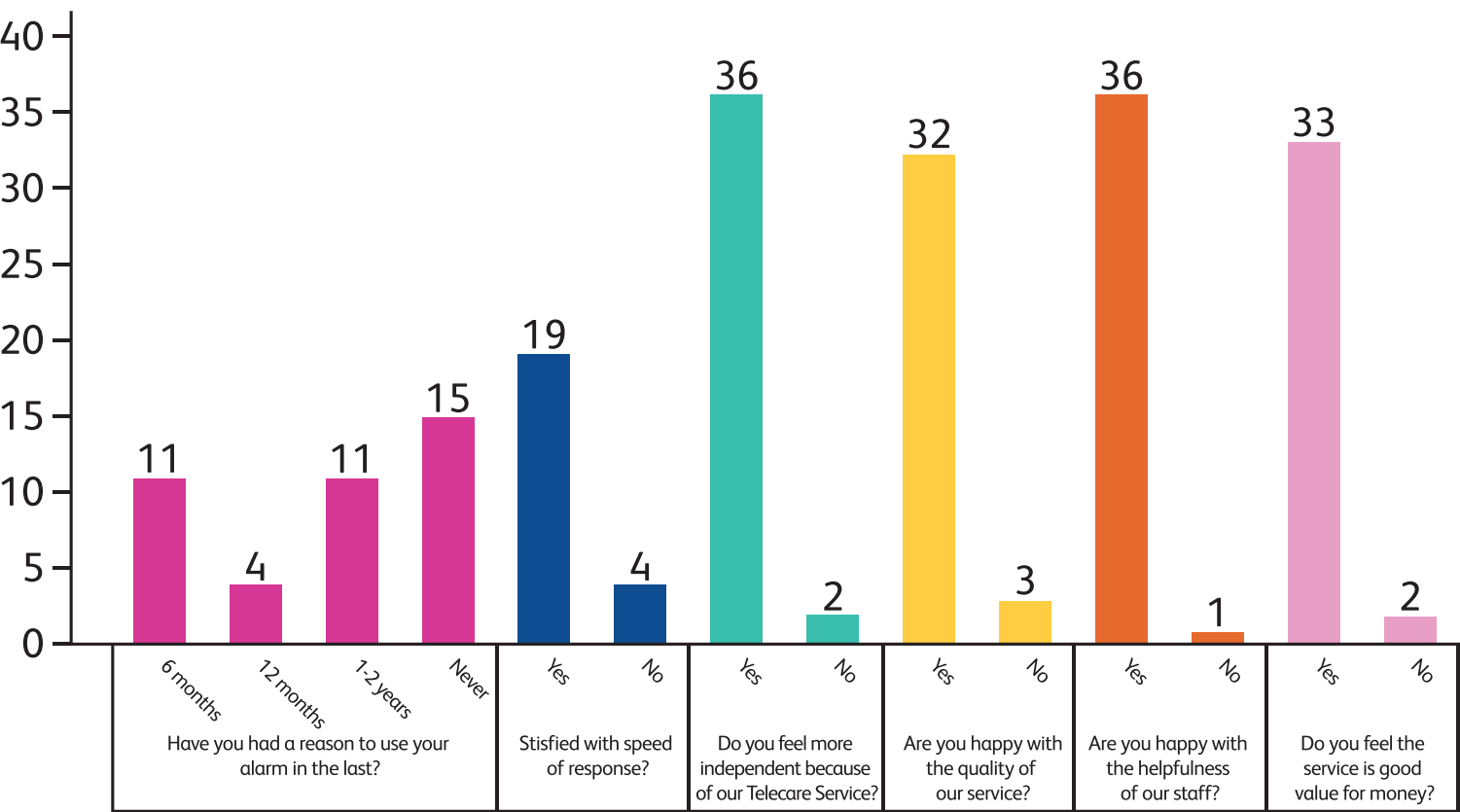
Complaints

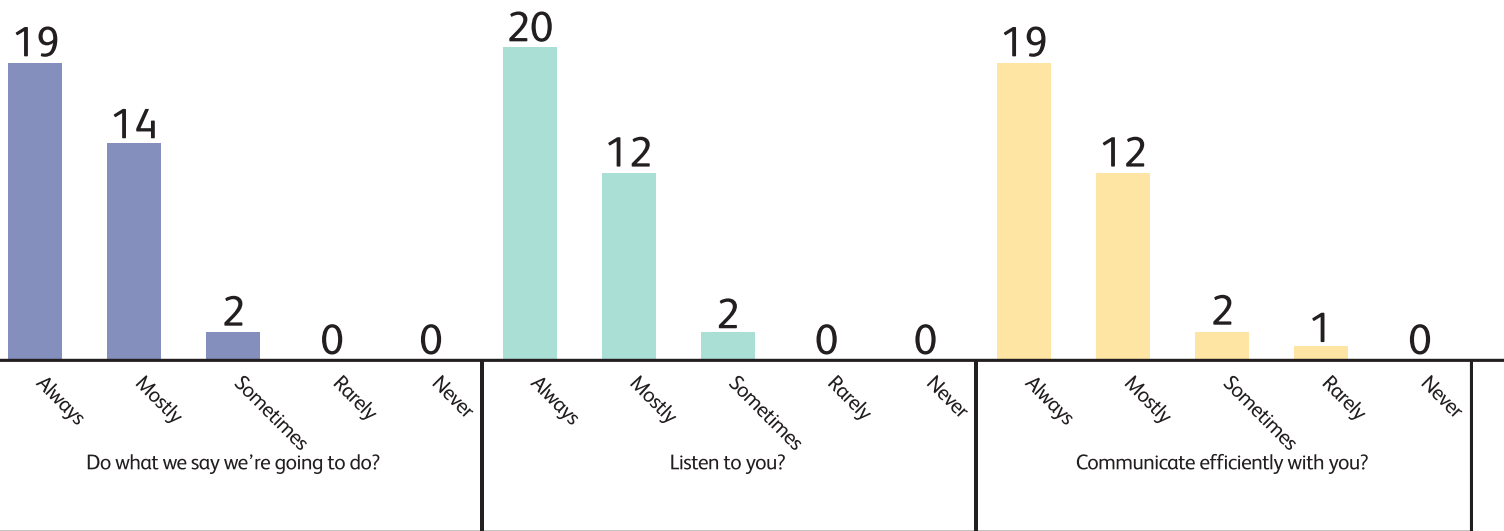
	2018-19	2019-20	2020-21	Peer Group Average	Scottish Average
Complaints					
Average time in working days for a full response for all stage 1 complaints (target 5 days) (new in 2019-20)	N/A	3.4	3.5	4.0	5.04
Average time in working days for a full response for all stage 2 complaints (target 20 days) (new in 2019-20)	N/A	17.5	16.4	17.2	19.01



Hanover Commercial and Telecare

Annual Survey Results





Hanover Commercial and Telecare

The previous page outlines our Annual Telecare survey results, we are delighted with the results, scoring highly in all areas of the survey. Some of the comments from the survey:

- ▶ *This is a much-needed service. The staff we speak to are very helpful when I press the neck pendant. However, this service should be part of a strategic set of services that provide options to residents on an increasing scale of support rather than 'one-offs'.*
- ▶ *I pulled my cord because of a roof leak at electric light. The electrician & plumber arrived within a couple of hours. I was very pleased.*
- ▶ *From what I have witnessed by other people using the service is that it is quick and efficient. Some people find pendants easier and of course more accessible, pullcord maybe out of reach.*
- ▶ *Found the alarm very important as a neighbour had a fall in her house and was not able to reach a pullcord. So, I contacted you to get immediate help.*

There are of course improvements we need to make, and we have taken on board those comments too.

- ▶ *I am a relatively new tenant and am unable to make suggestions on improving the service. However, I would suggest better communications as I have no information on Telecare*

Further improvements

Further to the survey we noted that improvements needed to take place to our response times. Recruitment is ongoing and we have explained the process further on. We have also noted the type of calls we are receiving has changed possibly due to the Pandemic and reduction is some of the support services our service users had in place.

We are also looking at other services we can provide to our service users, whether sign posting to services or direct telephone calls to ask that all important question 'How can we help you?' proactively calling before the emergency alarm is needed.



Hanover Commercial and Telecare

Building the team - Recruitment

We continue to increase staffing levels to meet the demands of the service. How do we recruit new members to the team? After advertising the role, we go through a selection process, the CVs are reviewed and those meeting the criteria are invited to take part in a telephone interview. We are looking for clarity of tone, friendly engaging manner amongst other attributes. Those that are successful move on to our virtual assessment centre.

We use Microsoft Teams (similar to Zoom) where we meet the candidates face to face. We provide an insight into Hanover the organisation and the Telecare team. The candidates listen to calls we have created within our own team where they must pick out critical information and provide the most appropriate response to those calls. They have other tests like IT skills. If successful they move on to a virtual interview where we get to know the candidate better and explain the role more fully. The selection and recruitment process is very thorough and we know we are taking on the best of the best to join our team.

Training

The comprehensive training program is 6 to 12 weeks long. The trainee will then move on to a buddying system where they will have support by a Telecare Operator and Senior Operator before finally working independently. As a team we provide support to each other, sharing experiences and understanding.

Analogue to Digital

In December 2020, Hanover was awarded funding from the Scottish Government's Digital Office, to help us make the transition from relying on obsolescent analogue telephone lines to using future-ready digital IP (Internet Protocol) services. Part of this funding is being used to expand the capability and capacity of our call handling platform's digital environment, to allow for the testing and deployment of digital telecare products using different communication, signalling and security methods.

This work is essential in getting Hanover's Alarm Receiving Centre digitally ready, so that we can support the new and emerging technologies out there.

The benefits of going digital are numerous: faster speeds, improved resilience and reliability, increased flexibility and interoperability, ability to handle voice, video, and information as data, and – crucially - it is **future ready**.

We have also received funding to set up a Remote Working 'test of change'. For this, we are providing Hanover's Mobile Development Managers access and training on our calls handling platform to allow them to carry out duties that would normally be carried out on their housing development, from home. This will enable Mobile Development Workers to remotely manage more than one development at a time, ensuring that sickness and holidays are covered and residents supported.

We are working closely with each of our telecare customers to understand their aspirations and timelines for transitioning from analogue to digital, providing knowledge, guidance and support in this regard.

Retention of contracts

Due to the turbulent nature of the last year, Hanover consciously did not seek new business, focussing instead on retaining existing contracts and maintaining and improving quality where possible. We are delighted to confirm that no Telecare or Out of Hours Repairs contracts have been lost this year, with big customers such as North Ayrshire Council and Trust Housing Association extending their contracts with us until 2022 and 2023, respectively.

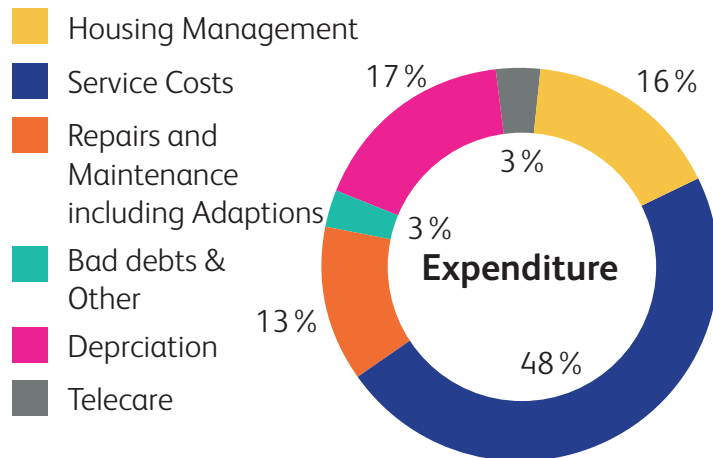
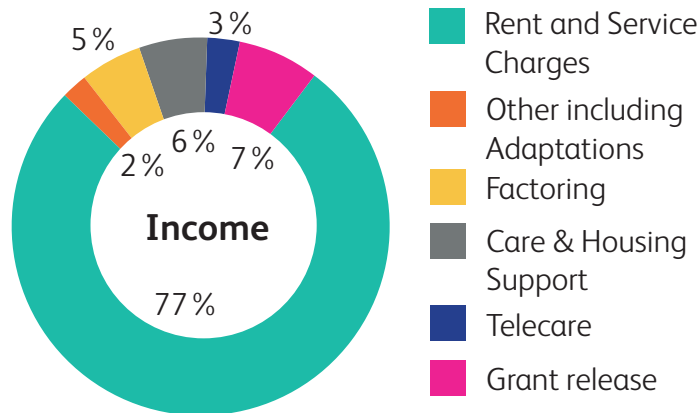
Statement of Comprehensive Income

For the year ended 31 March 2021

	2021	2020
Turnover	42,700	40,274
Less: Operating Costs	(36,859)	(36,760)
Gain / (loss) on disposal of housing property	42	(162)
Operating Surplus	5,883	3,352
Business combination – Excess of fair value of Liabilities over the fair value of assets acquired	-	(4,223)
Interest receivable and other income	3	28
Interest payable and financing costs	(1,963)	(1,945)
Surplus / (Deficit) before taxation	3,923	(2,788)
Taxation	(5)	(1)
Surplus / (Deficit) for the year	3,918	(2,789)
Actuarial Gain / (Loss) on pension obligations	(5,502)	4,517
Total comprehensive income for the year	(1,584)	1,728

The Board is pleased to report, that despite the current economic challenges and the ongoing impact of Covid-19, Hanover's performance remained strong and returned an operating surplus for the year of £5.9m (2020: £3.4m). This was partly due to delayed expenditure on planned and capital maintenance which has been deferred until future years.

Income from rent and service charges increased by 10.4% mainly due to the full year effect of the inclusion of former Arklet properties. Turnover and operating costs increased by 6.0% and 3.6%.



The current gearing positions are at 17.7% and 13% (2020: 19.8% and 11%) and provide considerable comfort in terms of ability to continue borrowing to fund future investment.

Cash outflow in 2020/21 was just over £1.5m. Closing cash balance at the end of the year remains healthy at £4.4m. Cash inflow from operating activities during the year was £8.3m.

Board Members

Michael Martin (Chairperson)

Catherine Wyllie (Vice Chairperson)

Joanne Roger

Dr Margaret Whoriskey

Professor Sir Geoffrey Palmer

James Rowney

Fraser Mitchell

Gary Devlin (Chair of Audit Committee)

Stephen Lithgow (Resigned 24 September 2020)

Dr Louise Reid

Julia Fitzpatrick

Ashley Campbell (co-opted 26 November 2020)

Robert T Rowe (co-opted 26 November 2020)

Alan G Stewart (co-opted 26 November 2020)

Adele J M Erwin (co-opted 26 November 2020)

More details about our current board members can be found on our website:

<https://www.Hanover.Scot/about/our-people/meet-our-board>

Officers

Angela Currie

Chief Executive – appointed 11 January 2021

Helen Murdoch

Chief Executive – retired 08 January 2021

Adam Curry

Director of Organisational Services

Jo Voisey

Director of Asset Management – appointed 22 February 2021

Mark Farey

Director of Asset Management – retired 09 August 2020

Donna Henderson

Director of Strategic Finance

Company Secretary

Christopher Milburn

Director of Customer Services

For further information please contact

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Hanover (Scotland) Housing Association Ltd - a Scottish charity no. SC014738 and Registered Property Factor no. PF000140.

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