

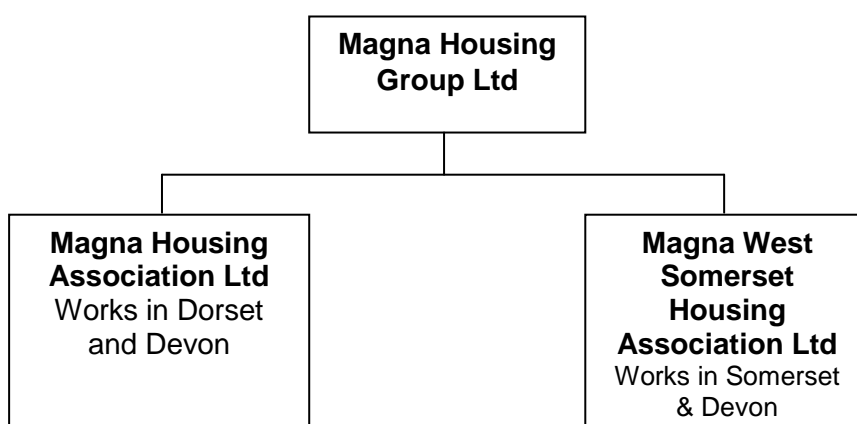
ANNUAL MAGNA WEST SOMERSET REPORT TO EXMOOR PANEL

17 JANUARY 2017

What is Magna West Somerset (MWS) and what is its role?

1. MWS owns and manages 2351 mainly rented homes, 87% of which are located in West Somerset. MWS is an independent and charitable housing association. Magna Housing Group has a Board of 9 voluntary members. The role of the Board is to set the direction for the association, to agree its Strategy and policies, to agree the Business Plan and annual budgets as well as monitoring its performance and the quality of services provided to its residents.

The structure of Magna Housing Group:



2. The Board delegates the operational management of MWS to a Director and 90 staff. MWS are based in two offices in Williton.
3. As a housing association, MWS is regulated by the Homes & Communities Agency (HCA) a government body. The HCA is responsible for monitoring the governance and financial viability of MWS. MWS's Purpose is "To help people meet their housing needs".

MWS's Finances

4. MWS's main source of income comes from tenant rents and service charges of £12.3 million for 2015/16. It also runs a number of privately funded services in West Somerset; a 24 hour Careline service for 550 private customers, a community meals on wheels service within a 10 mile radius of Watchet, a handyman gardening service for the elderly and disabled and a home help service.
5. The average MWS tenant rent is about £90.16 per week, which is about 60% of a rent in the private sector. Some 60% of MWS tenants are in receipt of full or partial housing benefit. Many MWS tenants are affected and will in future be affected by the new welfare reforms.

MWS's Housing Stock in the Area covered by the Exmoor Panel Area

6. Of the 2351 homes in West Somerset, 364 (15.5%) are located within the Exmoor Panel area:

Numbers of Homes

Allerford/Selworthy (including 11 Sheltered properties)	23
Bridgtown	5
Brompton Regis	15
Brushford (including 17 Sheltered properties)	26
Dulverton (including 40 Sheltered properties)	146
Exford	9
Huish Champflower	2
Luccombe	1
Luxborough	3
Porlock/Bossington (including 33 Sheltered properties)	66
Skilgate	3
Timberscombe (including 30 Sheltered properties)	39
Wheddon Cross & Cutcombe	18
Withypool	3
Winsford	5
Total	364

What has happened in the Exmoor Area

7. We carry out an annual planned maintenance programme and during 2016/17, the following works will or have been carried out in the Exmoor Area Panel area:

2016/17

<u>Work Type</u>	<u>Number</u>	<u>Location</u>
New kitchens	1 5 1 3 2	Allerford/Selworthy Brompton Regis Dulverton Porlock/Bossington Timberscombe
New bathrooms	2 1 3 2 6 1	Allerford/Selworthy Brompton Regis Dulverton Porlock/Bossington Wheddon Cross/Cutcombe Winsford
New heating/boilers	12 4 2	Allerford/Selworthy Bridgtown Brompton Regis

	2	Brushford
	6	Dulverton
	2	Exford
	3	Porlock/Bossington
	1	Timberscombe
	1	Withypool
	1	Winsford
	1	Luxborough

How properties are let?

8. All lettings take place using the Somerset-wide Homefinder Choice Based Lettings Scheme. We work very closely with the Housing Options team in West Somerset Council on choice based lettings and house a number of priority need households each year. In West Somerset, MWS gives preference to local people when it advertises homes in rural villages in Exmoor and all other West Somerset villages. From April 2015 – March 2016, 26 properties were let in the Exmoor area. For the current year April 2016 – 31 December 2016, 31 properties have been let.

Building New Affordable Homes

9. Panel members may recall that because of very low levels of Government grant and the 4 years of rent reductions imposed on housing associations, Magna had decided that it was not financially viable to build new homes.
10. In 2016, Magna's Board reviewed its policy and decided to resume a new build programme. A key reason for this change was the Government's decision not to provide any grant for new rented affordable housing over the 2016 – 2021 period. The Government will only provide grant for low cost home ownership schemes, such as shared ownership. The Board have decided that Magna should build up to 300 new homes for social rent (approximately 60% of private market rents) between 2017 – 2021 in Somerset and Dorset. These properties will be funded from Magna's own resources. In Somerset, we will focus on West Somerset/Taunton Deane.
11. In addition, we aim to build up to 300 shared ownership homes from 2017 – 2021, subject to the availability of Government grant. We have started work on looking for sites and opportunities to restart our building programme in West Somerset. We still plan to sell a small number of redundant garage sites and small plots of land in West Somerset where there is little or no demand to let them and there is a potential to build one or two homes. The income we receive from these sales will help to strengthen MWS's Business Plan, which in turn will assist Magna in building new homes.

Some Achievements over the past 12 Months

12. Key Performance Indicators at 30 September 2016

- 12.1 Average relet time for all properties was 14.4 days (2 weeks), which puts us in the top quartile of housing association performers.
- 12.2 Overall, rent arrears stand at 2.78%, which is top quartile.
- 12.3 From our monthly tenant satisfaction surveys so far this year, 94% of tenants are satisfied with the way Magna deals with repairs and maintenance. 86% are satisfied with the services provided by Magna. 98% of new tenants were satisfied with the condition of their homes.
- 12.4 MWS will spend £3 million on major repairs and planned maintenance in the 12 months ending 31 March 2017. One of the priorities for MWS is to improve the energy efficiency of residents' homes and we are installing new heating systems with air source heat pumps to replace the inefficient electric storage heaters and will reduce residents' energy bills.

Magna Strategy 2016 - 2021

- 13. A continued commitment to provide high quality housing and related services and to aim for high levels of tenant satisfaction. To meet the higher Magna Repairs Standard for all repairs and improvements.
- 14. Subject to tenant consultation and the permission of our regulator, to amalgamate the three housing associations in Magna into one organisation, Magna Housing, by 1 April 2017. The reason for doing this is to improve value for money by reducing the amount of duplication and inefficiency we have in Magna. We plan to organise senior staff to operate across the whole of Magna, rather than just in Magna West Somerset or Magna Housing Association in Dorset. Frontline staff will continue to operate as they are now, providing the same high quality services to residents from two local offices in West Somerset.
- 15. There are no planned changes to tenant services, tenancy agreements or rents. We want to create one organisation, Magna Housing, while maintaining services and performance. Resident consultation has now finished and we had 66 replies have been received from MWS residents by email, phone or letter. 49 are in favour of amalgamation, 2 are against and 15 are either unclear or asked further questions. Magna's Board at the end of November 2016 took account of the results of resident consultation and decided to move ahead with amalgamation.

16. We aim to have 99% of Magna's homes in our 7 core local authority areas of West Somerset, Taunton Deane, Sedgemoor, South Somerset, North Dorset, West Dorset and Weymouth and Portland.
17. There are a number of key external factors which alter or cause a review of Magna's Strategy. The first is the impact of welfare reform. Magna and its residents are coping with the impact of the "bedroom tax", the four year programme of 1% rent cuts and the roll out of Universal Credit. Since October 2016, there is a further roll out of Universal Credit in West Somerset and Taunton Deane and this is likely to increase the level of rent arrears. We feel we are in a good position to deal with this while supporting our tenants. The other more recent change is the introduction of a household benefit cap of £20,000 in November 2016. This will affect less than 10 MWS tenant households in West Somerset. We are working with all of these families to help them manage the impact of this change.
18. We are very aware that our key partners, especially local authorities, are having to deal with increasing cutbacks in Government grants and support as a result of the programme of austerity measures. This could impact on Magna and services it provides to its residents and we continue to monitor this closely and work with our Council partners to minimise any impact.
19. Finally, we monitor carefully the demand for our homes in Somerset. This is usually measured by the level of housing need on the Somerset Homefinder register. Our view is that there continues to be a strong need for affordable rented housing. However, over recent years, it is increasingly becoming more difficult to let some properties in rural villages in West Somerset.

Neighbourhood Walkabouts

20. MWS carries out a widely publicised annual programme of neighbourhood walkabouts covering all areas in West Somerset. These are attended by housing officers and surveyors, local police, community support officers and tenant representatives. The aim of these is to proactively deal with local issues of concern, such as outstanding repairs, neighbour or estate management issues. We would welcome local County District and Town and Parish Councillors who may want to join us on these walkabouts. Attached to this report is a list of MWS walkabouts for the remainder of 2016/17 and if any councillor is interested in attending a walkabout or would like to raise an issue, they should contact Lee Ellis, Senior Housing Officer, on 01984 635120 or by e-mail: lee.ellis@magna.org.uk

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MWS Director

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Inspection number	Area	Date	Start time	Start location and route	Estimated end time
20	Bampton, Tiverton, Barnstaple, Braunton, Ilfracombe, Lynton	Thursday 23 February 2017	9.30am	Winifred Cliff Court (Bampton) Elizabeth Penton Way Woodland Close Granary Court (Barnstaple) Maldram Mill Caen View (Braunton) Cutterborrow Lane Chichester Close (Ilfracombe) Slade Valley Road Princess Avenue Hobbs Yard (Lynton) Jubilee Court	17.00pm

21	Minehead (Cuckoo Meadow)	Thursday 2 March 2017	9.30am	Sycamore Road Ash Grove Hawthorn Road Lime Close Oak Close Whitworth Road	12.00pm
22	Bridgwater	Tuesday 14 March 2017	9.30am	Poskitt House Saltlands Waterfields Coral Court Albion Close Malvern Close Biddiscombe Close Spillars Close	12.30pm

23	Watchet	Thursday 16 March 2017	9.30 am	School Close South Road Temple Field Churchill Way Courtlands Close Woodland Road Grove Close Risdon Road	12.00pm
24	Williton (Townsend)	Tuesday 21 March 2017	9.30am	Townsend Foresters Close Long Street Dovetons Drive Longlakes Orchard Way Larviscombe Close Larviscombe Road Aller Mead Way Croftways Whitecroft Northcroft	13.00pm

25	Watchet	Thursday 23 March 2017	9.30am	Kingsland Gillams Close Anvil Court Whitehall Werren Close West Street	12.00pm
26	Carhampton	Thursday 30 March 2017	9.30am	Carantoc Place Milletts Close Hill View Road Hill Lane New Road Meadowside Orchard Road Vicarage Road Eastbury Road	12.00am