

ANNUAL MAGNA HOUSING REPORT TO EXMOOR AREA PANEL

MARCH 2019

What is Magna Housing and its role?

1. Magna owns and manages around 8,900 homes in Dorset and Somerset. Some 2,000 homes are located in West Somerset. Magna is an independent and charitable housing association. We run the Somerset part of our operation from two offices in Williton. Magna's Purpose is to: "Help people meet their housing needs".
2. As a housing association, Magna is regulated by the Regulator for Social Housing (RSH). The RSH is responsible for monitoring the governance and financial viability and ensuring we meet the consumer standards it sets for housing and repair services. Magna has its top rating for governance and financial viability.
3. Magna has 99% of its homes in 7 core local authority areas of West Somerset, Taunton Deane, Sedgemoor, South Somerset, North Dorset, West Dorset, and Weymouth & Portland.

Magna's Finances

4. Magna's main source of income comes from tenant rents and service charges of some £46 million in 2018/19. It also runs some privately funded services in West Somerset: a lifeline service for 600 private customers, a community meals service (within a 10 mile radius of Watchet), a home help service and handyperson/gardening service for the elderly and disabled.
5. The average Magna rent is about £94.74 per week (excluding service charges), which is approximately 60% of a rent in the private sector. Up to 64% of Magna's tenants are in receipt of full or partial housing benefit or universal credit. Many Magna tenants are affected and will be affected by the roll out of universal credit and other welfare reforms. Some 1,000 Magna tenants are now receiving Universal Credit and the numbers will increase dramatically over the next year or so.

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

6. Magna owns 362 homes in the Exmoor Panel area.

Number of Homes

Allerford/Selworthy (including 11 Sheltered properties)	22
Bridgtown	5
Brompton Regis	15
Brushford (including 17 Sheltered properties)	25
Dulverton (including 40 Sheltered properties)	146

Exford	9
Huish Champflower	2
Luccombe	1
Luxborough	3
Porlock/Bossington (including 33 Sheltered properties)	67
Skilgate	3
Timberscombe (including 30 Sheltered properties)	39
Wheddon Cross & Cutcombe	18
Withypool	2
Winsford	5
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Total	362
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How properties are let?

7. 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. From April 2017 – March 2018, 18 properties were let in the Exmoor area. For the current year April 2018 – 31 December 2018, 25 properties have been let. Where there is a section 106 planning agreement in place for a particular housing scheme, preference will always been given to applicants with a local connection

Building New Affordable Homes

8. Magna's strategy 2016-2021 intended to achieve 300 new homes for social rent and 300 for shared ownership. A review in 2018 showed a higher demand for rented housing than shared ownership housing. The board agreed that demand was different from Magna's original plans and that Magna would develop in accordance with local demand and market conditions in Dorset and Somerset, whilst keeping within the overall target of 600 new homes.
9. Magna does recognise that some people in housing need both aspire to home ownership and could afford it through shared ownership. Accordingly, Magna will seek to participate in the Homes England grant programme for both rented and shared ownership housing.
10. Magna's preferred approach is to commission the building of homes ourselves rather than procure them via the s.106 route. However, in certain circumstances, for example, where the product is of a particularly high quality, or we are working with developers with whom it is in our interests to have a long term relationship, we will consider the s.106 route.
11. On moving into a new build Magna home, residents will benefit from a home that meets the Magna Standard as a minimum and complies with

the latest Building Regulations. This means that residents will have lower utility bills than most of our existing homes, adding to the affordability of their shared ownership or rented home.

12. For renters and purchasers, each new build home comes with an Energy Performance Certificate (EPC) and will achieve a minimum EPC rating of B.

Some Achievements over the past 12 Months

13. Key Performance Indicators at 31 December 2018

- 13.1 Average relet time for all properties was 12.7 days (2 weeks), which puts us in the top quartile of housing association performers.
- 13.2 Overall, rent arrears stand at 1.9%, which is top quartile performance.
- 13.3 From our annual big tenant satisfaction survey carried out at the end of 2018, 87% are satisfied overall with Magna services, 82% are satisfied with the way Magna deals with repairs and maintenance, and 98% of new tenants were satisfied with the condition of their homes.
- 13.4 Magna will spend £11 million on major repairs and planned maintenance in the 12 months ending 31 March 2019. One of Magna's priorities is to improve the energy and efficiency of residents' homes and we have now either connected up to a gas supply or where this is not possible, installed new heating systems with air-source heat pump heating to replace all inefficient electric storage heaters in West Somerset. This will help to reduce residents' energy bills.

Magna Strategy 2016 - 2021

14. 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.
15. 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.
16. During 2018/19, we have carried out a review of Magna's sheltered housing. The conclusion Magna's Board have reached is that the sheltered housing service does have a future. The conclusion we reached supported by resident feedback is that a "one size fits all" service is no longer appropriate to meet current and future residents'

needs and expectations. Residents do value the service and their homes. However, they want to see more flexibility and choice offered in the sheltered housing service and they expect the standard of their homes and communal to be high quality to justify the level of service charges and rent charged. To help meet these expectations, we are introducing a lower level sheltered alarm only service in a number of more remote rural sheltered schemes where there has been a lower level of demand to meet the needs of the younger elderly. In addition, we will be redecorating most sheltered properties before they are let and we will install level access showers when they are empty to better meet residents' future needs.

17. We will be letting sheltered housing to people aged 55 years and over or to younger vulnerable people if the environment and communal facilities offered helps to support their need. We believe that the service is still financially viable and should be into the future, despite the ending of support grant from Somerset County Council. Looking at the population projections for West Somerset, there will be a significant increase in the numbers of people with a long term illness or disability. Many of these people will benefit from a high quality rented sheltered housing service. Further enhancements and improvements to our sheltered housing service offer are going to be possible using the platform that will be provided by our plans to introduce new alarm and IT systems in 2019/20.
18. During 2018/19, we have also examined what can be done to reduce the extent of under-occupation in Magna's homes. We have identified a number of tenants who we can help move to smaller more manageable housing, whilst freeing up much needed 3 and 4 bedroomed properties. We are dealing with this issue very sensitively and no tenant will be required to move into smaller accommodation.
19. I am happy to answer questions about any aspect of Magna's work or what we are doing in the Exmoor panel area at the panel meeting.

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