

Annual Review 2008



Castlehill Housing Association

Financial review

During the year to 31st March 2008 there were 38 completions of new units for the association.

These were located at Merrivale, Dyce (10) and the City Hospital site, Aberdeen (28).

The income & expenditure account of the association showed a surplus for the full year of nearly £57,000 before transfers to reserves, compared to an expected budgeted deficit of £148,000.



The City Hospital site nearing completion in late 2007.

- Our level of voids (properties standing empty between tenancies at any one time) has reduced over the last 3 years from 2.5% to 1.3%, which compares with a median figure for Scottish housing associations of 2%.
- Our management costs are £780 per unit, which compares favourably with the median figure of £824 per unit for similar associations.
- Our rent arrears figures have reduced to 2.61%, and again compare very favourably with other associations.



Merrivale, Dyce under construction.

We also recognise that a good maintenance service is one of the most important services we can provide, and we spend over £2 million each year on reactive and planned maintenance.

A major challenge is to make provision for replacements and improvements in our housing stock, and we plan to spend over £8 million on this over the next 5 years.

Castlehill has had another successful year, in an environment that is becoming even more challenging.

We completed the construction of 38 general needs flats at Dyce and at the City Hospital site, Aberdeen.

This brings our total housing stock to 1,580.

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Devanha Limited



Work in progress at Portland Street, Aberdeen

Devanha Ltd. has been set up by the 5 local housing associations so that all the development work relating to new housing projects can be undertaken through a single agency. It is working in partnership with 3 main contractors plus a limited number of consultants. Our challenge is to work collaboratively to drive down construction costs, whilst maintaining quality.

Our success may well have a significant bearing on whether Devanha continues to have a development programme. The Scottish Government will be consulting soon on how new developments will be carried out in future, with the suggestion that there may only be perhaps 6 developers carrying out the whole programme across Scotland. Details are still sketchy, but it is certain that the changes will be the most significant in over 30 years, and that housing associations will have to obtain increased levels of private finance.

Housing Support

"This year we compared our service with 4 other housing associations, and found that our service was the most comprehensive.."

The financing of housing support changed in 2003 with the introduction of Supporting People grant from local authorities. In 2008/09, the Scottish Government agreement with local authorities removed ring fencing from many funding streams including Supporting People. The effect of this is that in future we will be negotiating funding in competition with all other local authority services, including social work and education.

With constraints on funding, many sheltered housing providers have reduced services, and no longer employ managers who are resident within the sheltered housing schemes. This year we compared our service with 4 other housing associations, and found that our service was the most comprehensive and the only service that, for the larger schemes, operated 7 days a week, with staff on-call overnight. For many of our tenants, the security and reassurance that this provides is very important.

Undoubtedly, the next few years will be challenging as we work with local authorities to maintain a service that fully takes account of the views of tenants.

Care & Repair



Adaptation completed by Care & Repair

In recent years we reported on the significant expansion of Care and Repair services. During 2008/09, local authorities will be deciding on their future policies regarding repairs and improvements in the private sector. There are major changes proposed, including fewer grants and more loans, but the association is well placed to continue and expand this important service to older and disabled owner-occupiers.

New lettings

As far as new lettings are concerned:

- Homehunt North East Scotland has now been operating for over 2 years, and is proving to be very effective.
- Currently we have over 9,000 registrations from people interested in getting accommodation.
- In total, 200 lettings were made last year. Of the 105 allocations for general needs properties, we received an average of 159 bids for each property.

The number of bids for each sheltered or very sheltered vacancy is much less, but demand for sheltered housing has always been quite specific to each scheme, and we are very satisfied that the overall system is operating well.



Additional services to tenants

Last year we outlined some additional services being offered to tenants, and these are proving to be worthwhile.

- In 2007/08 we provided 30 furniture packages for new tenants, and there is some evidence that this service is helping to sustain these tenancies.
- The Association's Key Project continues to prove its worth, particularly with the high percentage of allocations to homeless people. Currently it provides support for 47 tenants in Aberdeen and 22 in Aberdeenshire. 16 tenants with multiple debt problems are also being assisted by a special Financial Inclusion project operated by Grampian Housing Association & partly funded by Castlehill.
- At the AGM in 2007 we launched a Savings and Loans scheme with the Dunfermline Building Society, with the emphasis on encouraging regular saving. There has been an encouraging take up of this scheme, with 10 tenants opening savings accounts, perhaps for the first time.

"Key Project continues to prove its worth... currently it provides support for 47 tenants in Aberdeen & 22 in Aberdeenshire."

2008 and beyond...

Good progress is being made with site starts, and Castlehill's current share is as follows:

- 20 general needs flats at Portland Street (Aberdeen) - due for completion in September 2008
- 23 general needs houses at Mintlaw - under construction
- 98 houses and flats which are due to start construction before March 2009 - at Mintlaw, Dyce, Portlethen and Kintore.

In addition, we will be developing 38 houses and flats at Mintlaw & Portlethen for LIFT - this stands for Low Income for First Time buyers. LIFT is a shared equity scheme where the owner-occupier owns between 51 and 80% of the property, and the remaining equity is held by the housing association.

We expect that this will be a popular scheme in the current housing market, and look forward to our first venture in home ownership for many years.



Portland Street, Aberdeen



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Castlehill Housing Association
Committee of Management
At 31st March 2008

Bill Howie	Alan Pilkington
John Hutcheson	Sauna Reith
Janice Lyon	Raymond Simpson
Kate Mason	Ian Thomson
Jack Nicoll	Nick Williams
Graeme Ogston	Sandra Williamson

Chief Executive: Gordon Kyle

Castlehill rows to Bolivia!

A sponsored Cycling and Rowing event carried out by staff and friends of Castlehill Housing Association, raised a grand total of **£2,852.21** for charity Orkney Helping Hands (OHH).

The Challenge took place during the months January to May 2008 and saw a team of 16 cover over 7,000 miles of land and water, from Aberdeen to Bolivia (not literally – they used rowing machines and static/road bikes!).

The OHH project that Castlehill decided to donate to is a Children's Home in Sacaba, a poor area outside Cochabamba, South America. They paid for furnishing the home.

OHH is a Registered Scottish Charity SC03666 whose aim is to further the health, well-being and protection of children and their families in Latin America. See their website at www.orkneycommunities.co.uk/OHH. Castlehill Housing Association chose them as the benefiting charity for money raised because the work OHH carry out relates closely to housing and they were impressed by the direct action being taken by the charity.

Barbara Ann McVean, originally from Orkney, lives and works in Cochabamba, South America. She works voluntarily for OHH and locates projects locally and oversees them, ensuring the money donated is being spent properly.



Pictured is Barbara McVean, OHH Secretary, being presented with the cheque by David Lappin, Director of Housing Services, and staff at Castlehill's office in Aberdeen.