

CHISEL 2008/09 ANNUAL REPORT

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CHAIR'S MESSAGE

CHISEL SELF-BUILD VISITS 2009

At the last AGM, Linda our Co-ops and Tenants Officer, launched our Tenants' Sounding Board. Our first meeting was held to discuss maintenance issues. This attracted a number of our self-builders who were keen to talk through some of their maintenance problems which CHISEL needs to act on and a number of proposals for under used and overgrown communal areas.

One of the suggestions that came out of the meeting was a CHISEL inspection visit to each self-build scheme where all residents were invited to come and raise whatever issues they wanted. Staff thought this was a great idea and when Board members were told, a number of us knew it was really important for us to get along too. The series of visits were scheduled and carried out this summer.

What we found

Board member reactions I particularly remember range from an immediate 'I could live here' (not a tenant member by the way) to 'my goodness, so much softwood, what long term maintenance costs are we predicting?'

What most amazed all of us however, was the sense of connection and sense of community. 12 years after handover, there are very few conventionally built schemes where the same could be said - and most of these will be co-operatively owned and run.

Article concludes overleaf

What can we learn from these schemes?

Good space standards, a geographically distinct scheme and defensible collective space all stood out as important factors. But clearly, a stake in your home through your own blood and sweat (and no doubt some tears) is certainly as valuable as money – if not more so. Sadly, the current financial climate is not the right one to be discussing extending self-builders interests into an equity stake in their homes, though we know that many aspire to do so.

What is the outcome of these visits?

We have been taking immediate steps to resolve some health and safety issues and we will be looking again at our long term maintenance planning now with much greater understanding.

What we are also doing, is looking at how we can harness the continuing energy, building know how and willingness to work voluntarily which is clearly still out there. We are planning to help self-builders create more valuable community spaces with relatively small amounts of CHISEL money for materials. We are currently costing proposals. We will shortly be holding a joint meeting with self-builders, staff and Board to agree proposals and allocate resources to where self-builders can maximise the benefit.

If other groups of our tenants have similar reasons for wanting us to visit next year, please get in touch!

Wendy Newell - Chair
Sept 09

DIRECTOR'S REPORT

Credit crunch development - Buying new and existing CHISEL homes

This year we have been actively buying family homes for rent in Thamesmead in LB Greenwich. Although damaging to many families and businesses, the slump in the property market has meant that we have been able to afford to buy three properties rather than the two originally anticipated. We have bought two properties so far, a 3 bed house and a 2 bed flat, and expect to complete the purchase of a third 2 bed flat. These homes have been purchased using recycled capital grant derived from some properties that CHISEL sold some years ago topped up with some additional borrowed funds.

During the last year we have also been continuing to negotiate the transfer purchase of some 70 homes

owned by Amicus Horizon HG but already managed by CHISEL, LFSA, and 3 Boroughs HC. At the end of 2008, we successfully secured a £2.4m funding facility to finance the purchase of these homes, which we are buying on a net book value basis, on favourable terms from our existing bankers, Unity Trust Bank. Friends of CHISEL will be aware that negotiations with Amicus Horizon have been ongoing about this transfer for a number of years. Regrettably, the process seems to have been hampered by one small problem after another, but I remain confident that everything will finally be successfully resolved in the near future.

John Smith - Director

MAINTENANCE

Chisel's day to day maintenance was again carried out via our contract with LFSA. Despite increased job numbers compared to previous years there was an increase in the percentage completed within target.

	No. of jobs.	Target (days)	No. within target	% within target
Emergency	19	1	19	100
Urgent	129	7	117	91
Short term	86	14	79	92
Med. term	25	28	23	92

Cyclical and Planned Maintenance 08/09

We carried out cyclical decorations on 33 properties and internal communal decorations at two blocks of agency managed flats at a cost of £62,580.

We continued our kitchen replacement programme and have replaced boilers as and when necessary. Altogether we spent £197,854 on planned maintenance on;

- Replacement of 20 kitchens
- Replacement of 12 boilers
- Replacement of 1 bathroom

And works to roofs and windows and boiler repairs.

In addition we spent £5,600 on fencing and some landscaping.

LETTINGS

In 2008/9 we had 16 lettings. This is the lowest for four years. The breakdown of these lettings was as follows:

8 were rooms in shared houses
1 was a mutual exchange
2 were to existing tenants moving up to larger properties
1 was a reciprocal with another housing association
1 was a new letting, following the completion of 'the gap' at Greenstreet
3 were let by our managing agents.

The ethnic breakdown of the 16 new tenants was as follows

White British	6	37.5%
White Irish	1	6.3%
White Other	4	25.0%
Asian/Asian British: Indian	1	6.3%
Black/Black British:Caribbean	2	12.5%
Black/Black British:African	1	6.3%
Chinese	1	6.3%

RENTAL INCOME AND EMPTY HOMES

Rental Income

2008/09 saw us collect just over 100% of rents due. Current tenant arrears continued to fall (down by £3,400) although we saw an increase in the amount owed to us by tenants who have either moved out or been evicted (up by £7,900). We are continuing in our efforts to chase both existing tenants and former tenants to recover monies owed.

Empty Homes

Rental losses on self contained empty homes was much reduced in 2008/09. The total was 3.6%, with only 0.38% in self-contained property, the balance being in shared housing. During the course of this year, 2 shared houses and 1 shared flat have been re-designated as self-contained. This will help reduce with reducing rental loss due to voids.

CO-OP & TENANT OFFICER REPORT: TENANT PARTICIPATION

At last year's AGM we launched the CTSB. The purpose of the sounding board is to create more opportunities for tenants to be involved with CHISEL, and also to develop opportunities for tenants to influence decision making.

Nearly one year on and this forum is making headway. So far the meetings have looked at the general maintenance service CHISEL offers, the varying maintenance needs of self build properties and most recently, measures to make CHISEL homes greener. The latter is a big area and it will be an ongoing project but we hope that by working with our tenants we will create greener sustainable homes. Working directly with our tenants on the CTSB has given me a greater insight into the issues that concern our tenants, but also it means we learn about matters more quickly.

The Changing Face of Watch This Space Co-op

WTS Co-operative is made up of four shared houses and is based in Brighton. At the start of the year the Co-op

decided it no longer wanted to manage itself due to decline in motivation from its tenants. Therefore, at the start of the year CHISEL took over the direct management of these properties.

Since then some of the tenants expressed that they have grown out of shared living and want to live on their own. This is something we can appreciate, shared housing in your early 20s can be fun, however when you are 35 plus and sharing with others who may be 20 or more years younger than you, it is not an ideal situation.

Although, we do not have an immediate answer to this because we do not have any one bed flats in Brighton, there may be a solution. It is a long shot, but if we sell one of our houses we could purchase studio flats to create more accommodation.

FINANCIAL STATEMENTS

Chisel Ltd

Summary Financial Statements 2008/09

Income and Expenditure Account	£'000	Balance Sheet	£'000
Turnover	971	Cost of housing	13,889
Operating costs	(855)	Less: grants	(11,099)
			2,790
Operating surplus	116	Other fixed assets	3
Interest receivable	7	Net current assets	169
Interest payable	(123)	Total assets	2,962
Revenue surplus for the year	0	Housing loans	2,569
Revenue surplus at start of year	393	Revenue surplus	393
Revenue surplus at year end	393	Total reserves	2,962

The surplus for the year to 31 March 2009 was £70 compared with £56,227 in 2008. Major repair expenditure increased from £131,012 in 2008 to £197,856 in 2009 and this is the main reason for the decrease in the surplus. In 2008/09 CHISEL also purchased a new property in Thamesmead and completed the construction of an additional unit at Green Street.

Chisel is a small, charitable housing association with 224 homes of which 160 are managed in-house and 64 are managed by managing agents

BOARD

Chisel's Board of Management has overall responsibility for all aspects of the associations work. Current membership is as follows:

Wendy Newell (Chair)	Independent
Per Von Scheibner	LFSA delegate
John Clark	Independent
Louise Owen	Tenant
John Taylor	Independent
Keith Roberts	Tenant
Andrew Watson	Independent
John Morgan-Evans	Tenant (from 25 September 2008)
Lisa Austen	Tenant (from 25 September 2008)
Katherine Bull	Independent (from 25 September 2008)

We would welcome more tenants on the Board. Any shareholder of the association can stand for the Board. Applications for a share are agreed by the Board and CHISEL tenants will automatically be accepted, other than in exceptional circumstances. A share costs £1 and is non-profit making and non-returnable.

New Board Members!

We are very pleased to welcome John, Lisa and Katherine to the Board following their election at the AGM in September 2008.



Kathryn has worked all her career in the housing sector, including with the London Borough of Croydon, where she was Assistant Director of Housing. She now works as Executive Director(Corporate Services) for A2 Dominion Housing Group.

John Works as a trade union officer for Unite and lives in a self-build at Parish wharf with his partner Joanne and his son Lewis.

Back row from left: Peter Coker, Kathryn Bull, John Morgan-Evans, Per von Scheibner. Front row: John Clark, Wendy Newell, John Smith.

STAFF

Chisel currently employs 7 part time staff, the equivalent of 3.8 full time staff.

Over the last year our rent officer Flos has become a permanent member of staff and Vathani our finance officer left for a job closer to her home. She has been replaced by Shuk-Ling.

Current staff

Director	John Smith (4 days pw)	director@chisel.org.uk
Rents Officer	Flos Marriott (2 days pw)	rents@chisel.org.uk

Co-ops and Tenants

Officer	Linda McMahon (2 days pw)	cto@chisel.org.uk
Finance Manager	Jane Brenan (1 day pw)	mgrfin@chisel.org.uk
Finance Officer	Shuk-Ling Hou (2 days pw)	finance@chisel.org.uk
Housing Manager	Clare Conning (4 days pw)	housing@chisel.org.uk
Maintainance Office	Chris Hatcher (4 days pw)	maintainance@chisel.org.uk

The office is now closed on Fridays, but if you have maintenance problems you can still ring 0802 692 9294 (office hours) and 0208 338 8433 (Emergencies).

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