



ANNUAL REPORT 2022-2023

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REPORT FROM THE CHAIR – KELLY FERNS

Welcome to our 55th Annual Report. Having been the Chair for the past 15 months now, I am pleased to reflect on and tell you about our activities and focus during 2022/23.

The past year saw a whirlwind of change for Cloch, with much of this being driven by external factors out with our control causing high inflation and interest costs. This resulted in the cost-of-living crisis, which continues to impact our customers, in addition to increasing costs for our suppliers and contractors. This has had a knock-on impact on Cloch's costs for services and the Staff Team have worked hard to reduce the effects of this and the cost-of-living crisis through a number of initiatives delivered over the period.

During the year there were also internal changes with 3 new members to Cloch's Leadership Team. Louise Carlin became our Head of Housing in April 2022, having started with Cloch over 30 years ago, fulfilling different roles during her career in the Housing Sector. In October 2022 our previous Finance Director, Alana Durnin, returned to Cloch to take on the role of Chief Executive and in November, Valerie Wilson joined the team as Finance Director, following a period of providing consultancy services. Paul McColgan, our Head of Property Services, is our long-standing member of the Leadership Team and he and the Property Services Team have had a productive year, focusing on improving our repairs and maintenance services, through a new innovative approach to procuring contracts, working in partnership with Williamsburgh Housing Association and Ferguslie Park Housing Association. The benefits from all the effort have come to fruition, with Cloch now working with several local contractors, rather than one main contractor to deliver our maintenance service. The new

working arrangements bring employment to Greenock, with one of the contractors establishing a depot locally and 5 new modern apprentice jobs being created by two of the contractors.

Our Board membership and roles have also changed with 3 new members joining over the past year and they have brought new ideas, perspectives, and skills to our existing strong and committed Board.

The financial challenges made us review how we delivered our Business Plan priorities, with a focus on controlling costs and looking at what services we can deliver to help our customers, through additional grant funding.

We refreshed our Business Plan during the year, to ensure that staff time was being directed to the most important issues, taking account of the challenges being faced, with high priority placed on mitigating the cost-of-living crisis, improving our repairs and maintenance service, tenant and resident safety and staff wellbeing. We made the decision to hold back from building new homes due to high costs, following our Kings Glen development where 57 new homes were allocated in 2021. However, we are committed to continuing to grow and increase the number of homes we have for rent, (1435 as at March 2023), and we did this throughout the year by buying properties from the open market. The Scottish Government supported our initiative via grant funding and during the year 5 additional homes were purchased. As part of our acquisition initiative, we are targeting homes that will fulfil a particular need or increase Cloch's ownership of blocks of properties, to allow us to invest in future planned maintenance. I am also delighted to report that the Scottish Government have provided a further £300k of funding to contribute to our 2023/24 property expansion plans.

At the start of the financial year, we launched a new service called Cloch+, which is a furnished tenancy service, aimed at mitigating furniture poverty by helping people to furnish their homes. In June we made an application to the Scottish Government for the Investing in Communities Fund to expand this project and in March 2023 we received the fantastic news that we had been successful in securing 3 years of grant funding totalling £325k. The expansion of our Cloch+ project allows us to focus on supporting mental health and wellbeing, ensuring this is prioritised at a community and local level. We are also delighted that the project financially supports our partner, Starter Packs, who provide home essential start up packs to those setting up a new home. We now have 2 dedicated staff members in our newly established Community Support Team, and this project also provides a Handyperson service to help people turn their house into a home.

Our community activities were also expanded during the year due to the establishment of our Customer Involvement Team and also several successful funding applications. Throughout the year we secured £100k of funding to provide additional welfare benefits advice and support, issue energy and food vouchers and warm packs to many of our customers. We also worked in partnership with Financial Fitness, who are Inverclyde's independent welfare benefit and money advice charity, setting up a new appointment service from our office.

Our planned and cyclical maintenance activity during the year focused on maintaining our external areas and renewal of components such as kitchens, boilers, heating systems, etc, with £1.76M invested. However, we also faced a setback in this area as one of our main contractors for our planned maintenance activity went into administration. When we went back out to procure the work the value had increased in price by over £2M, (circa 30%) and therefore in consultation with our customers regarding the 2023/24 rent increase, the decision was made to reduce the amount of planned maintenance work being carried out over the next 5 years. This allowed us to reduce the overall rent increase for 2023/24 to 6%, which was 4% below March 2023 inflation of 10.1% and much lower than the 20% to 30% increase in service costs we have experienced.

A major area of work by the Finance Team to help reduce the impact of a below inflation rent increase was to refinance some of our loans with our lenders. By the end of March 2023, we had £12.5M of loan funding, which helps pay for our planned maintenance programme and the new houses at Kings Glen, with loan interest costs of £474k for 2022/23. In January, we re-negotiated loan terms with projected savings of £870k over the next 5 years. 88% of our loan funding is now based on a fixed rate mortgage, helping to control our loan interest costs over the next 5 years and protecting us from future increases in interest rates.

OPERATIONAL ACTIVITY

From a review of our operational activity, our Housing Team have worked hard to ensure rent charges are collected, to be re-invested into services. Our total gross rent arrears remain low at 2.08% of rents, which is in the top quartile of performance in Scotland. Our Customer Connections Team are your first point of contact when you call or visit with an enquiry and they ensured 95% of calls were answered on time, with 96% of specialist enquiries responded to within 1 working day

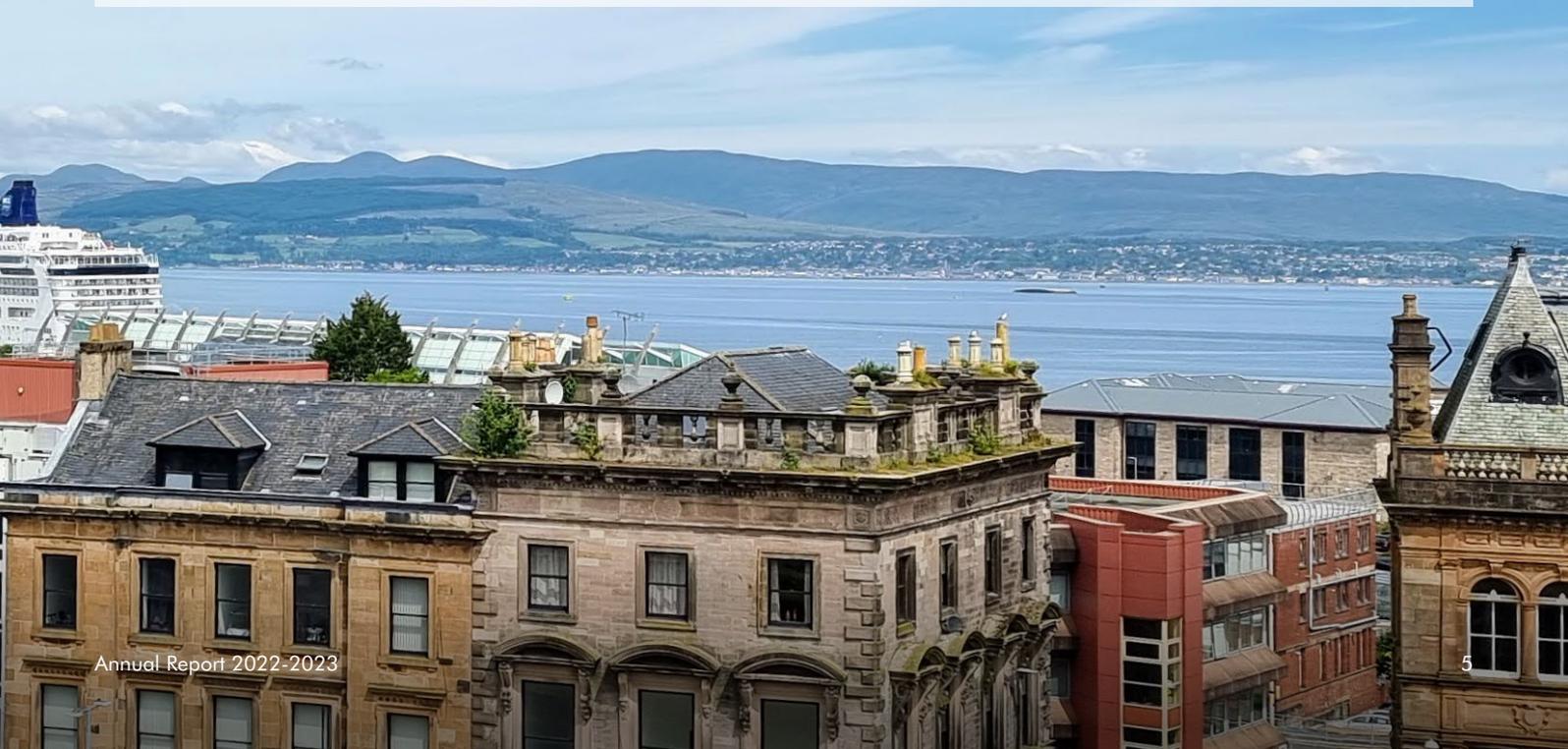
by colleagues. Although most of our repairs performance suffered due to contractor issues during the year, 94% of our homes meet the Scottish Housing Quality Standard compared to the Scottish average of 79%. Our average time to complete emergency repairs remains excellent at 2.5 hours compared to the Scottish Average of 4.2 hours, with the average time to complete non-emergency repairs being 7.4 days compared to the Scottish Average of 8.7 days.

GOVERNANCE

We were delighted that our fourth compliant Assurance Statement was confirmed by the Scottish Housing Regulator supported by self-assessment against the Regulatory Standards of Governance and Financial Management. Our Board and Staff also worked through an appraisal process, which informed our training and development plans for the year, with Arneil Johnston supporting the Board activity in this area.

Following our AGM in September 2022, I remained as Chair, with Heather Thomson

taking on the role of Vice Chair and Eileen Tamburrini as Secretary. At present we have 11 Board members, including tenant representation, which helps bring a direct customer perspective to our discussions and decisions. After 6 years on our Board, Heather Thompson will be stepping down at our AGM in September 2023. Heather has made an immense contribution to Cloch over the years, particularly around the area of asset management and is highly respected and valued by our Board and Staff Team and she will be missed.



SUPPORTING COMMUNITIES

We have continued to work closely with the other local Housing Associations on a wide range of projects to support our communities, including tenancy support services. Although the jointly funded contract ended on the 31/3/23 we are delighted that the service will continue as part of our Cloch+ project, enabling the setup of our own in-house staff resource.

We were successful in a joint funding bid for the Social Housing Fuel Support Fund with our local housing partners, with Cloch receiving £21.3k to support 213 households by providing appliances to reduce the cost of cooking as well as items to keep people warm.

During the year, Cloch contributed £5.5k to Starter Packs who provide home essential start up packs and 65 of our customers benefited from this service in 2022/23.

We worked in partnership with Financial Fitness and this service secured £277k additional benefits over the year, helping 163 of our customers and we will continue to provide this service to help maximise income for our households.

We were successful in an application for £16k from the Scottish Government's Winter Hardship Fund, which allowed us to issue food vouchers and secure additional welfare

and benefits advice.

We secured £23.4k from the Cost-of-Living Community Anchor Fund, which allowed us to buy warm items to distribute to customers as well as provide funding to the local community centres, which funded them to provide refreshments, food, and fuel vouchers to their customers.

We also worked in partnership with Inverclyde Libraries, who delivered free digital training along with our IT Team to our customers, helping to reduce the impact of social isolation.

I hope this gives you a flavour of our activities over the past year and you have enjoyed reading the update. I would like to sign off by thanking my colleagues on the Board for all their commitment and efforts throughout the year in this voluntary role. Also, to the Staff Team, who have shown dedication and resilience over this challenging time – thank you for your can-do attitude! A final thanks to you, as our customers, the reason we are here. Thank you for your patience and understanding over the past year and for being part of the Cloch Team.

Kelly Ferns
Chair

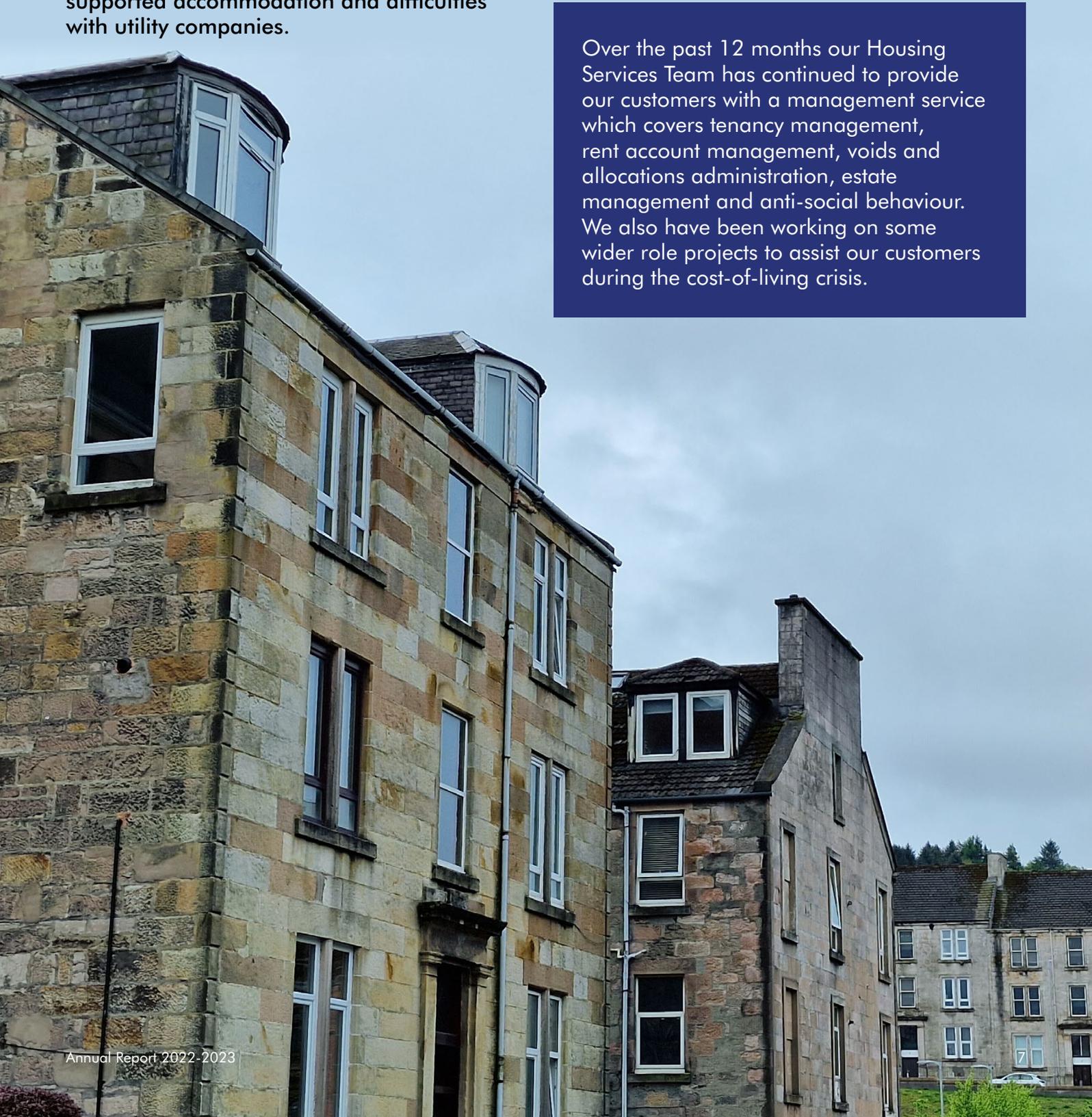


HOUSING SERVICES

Cloch re-let 171 properties during the year 2022/2023 compared to 244 in 2021/2022. The void rent loss as a percentage of rent increased from 1.3% in 2021/2022 to 1.4%. This was mainly due to delays in re-letting homes caused by a combination of factors including: delays with our void contractor and sourcing materials, delays with letting some supported accommodation and difficulties with utility companies.

We re-let our vacant properties with an average turnaround time of 56.3 days. This was a reduction from last year's figure of 61 days during 2021/2022. This was to be expected given that the Covid 19 pandemic had impacted on our ability to let properties the year before.

Over the past 12 months our Housing Services Team has continued to provide our customers with a management service which covers tenancy management, rent account management, voids and allocations administration, estate management and anti-social behaviour. We also have been working on some wider role projects to assist our customers during the cost-of-living crisis.



OUR STOCK

On 31 March 2023, Cloch owned 1435 self-contained properties, 23 non-self-contained bed spaces, 4 garages and held an interest in 15 shared ownership properties. Our self-contained stock profile on 31 March 2023 is detailed below:

	House	High Rise	Tenement	4 in a block	Other flat / maisonette	Total	Average Weekly Rent
1APT	0	0	6	0	0	6	£80.68
2APT	0	0	322	4	59	385	£88.94
3APT	413	0	297	32	13	755	£98.66
4APT	230	0	23	0	15	268	£109.55
5APT+	21	0	0	0	0	21	£120.91
TOTAL SC	664	0	648	36	87	1435	£99.75

HOUSING THOSE IN NEED

In 2022/2023 we could meet the housing needs of 171 households:

Existing tenants that were transferred to more suitable housing	9
Applicants who were assessed as statutory homeless by the local authority	13
Applicants from our housing list (ICHR)	74
Mutual exchanges	8
Nominations from the local authority or Inverclyde HSCP	46
Lets from other sources	21
Total	171

ALLOCATING HOMES

17 homeless applicants were rehoused and 13 of those housed were following direct Section 5 homeless referrals from Inverclyde Council with 4 from Inverclyde Common Housing register (ICHR) applicants who had homeless priority passes. Cloch also leases properties to Inverclyde Council Health and Social Care Partnership (HSCP) departments to support homelessness and the refugee integration programme.

HOUSING LIST - INVERCLYDE COMMON HOUSING REGISTER (ICHR)

Cloch continues to be an active partner in ICHR. The ICHR Allocations Policy is based on Choice Based Lettings principles. Customers complete an online registration, and they can start applying for available properties straight away.

At the end of March 2023, there were over 4000 applicants on the joint list seeking rehousing. Cloch and ICHR partners joined the digital lettings platform "These Homes" in 2022. All registrations are reviewed annually where registered applicants are required to update their information. This ensures the ICHR reflects a list of applicants who are actively seeking rehousing.

RENTS & RENT ARREARS

Cloch collected 99.9% of total rent due for the year 2022/23. Our rent arrears position at the end of 2022/2023 for current (non - technical) arrears was 0.81% against a target of 1.20% for the year.

	Actual Arrears (Non-Technical) 2021/2022		Actual Arrears (Non-Technical) 2022/2023	
	£	%	£	%
Current Tenant	96,570	1.28	58,646	0.81
Former Tenant	30,471	0.41	53,211	0.75
Total Arrears	127,312	1.68	111,857	1.57

LEGAL ACTION

Cloch initiated 15 new court actions for recovery of possession during 2022/2023. No decrees for eviction were enforced during 2022/2023. The Association works hard with our tenancy support services and partner agencies to prevent evictions where possible.

TENANCY MANAGEMENT

In the year 2022/23 Cloch had a tenancy sustainment rate of 91.9%. The Association's Tenancy Support Service helped some of our most vulnerable customers to remain in their homes through signposting to external support agencies and by working closely with our Housing Services Team.

ANTI-SOCIAL BEHAVIOUR (ASB)

Our performance during 2022/2023 in dealing with our ASB cases was good in that over 97% of cases were resolved within the target time.

Our team dealt with 191 new ASB complaints in the last year. Cloch takes the problem of ASB very seriously and we have signed up to the local partnership hub with Police Scotland. The regular liaison with Police Scotland, and the Local Authority's Social Protection Team, helps us work together to reduce ASB within our communities.

ESTATE MANAGEMENT

The Housing Team carry out estate and close inspections on a 6 monthly basis. These inspections ensure that our common closes are kept clean and meet fire safety standards. Inspections of common grassed areas are also carried out and this has flagged up some issues over the past year which the Association is focused on improving.



PROPERTY SERVICES

REACTIVE & VOID REPAIRS

The Association spent £1,291,554 this year carrying out reactive repairs to our homes and repairing our void properties to bring them to a lettable standard.

Key Performance Indicator	2022/23	Target	2021/22
Average time to complete an emergency repair	2.49 hours	2.2 hours	2.81 hours
Average time to complete a non-emergency repair	7.43 days	6 days	8.83 days

Key Performance Indicator	2022/23	Target	2021/22
Non-emergency repairs completed Right First Time	76.52%	94%	83.2%

The main reason for the downturn associated with non-emergency repairs from the previous year relates to works where the contractors failed to complete a number of repairs within the designated timescales.

REACTIVE REPAIR AND VOID CONTRACTOR

Last year we reported that Saltire Facilities Management would be providing both these services to Cloch from August 2022 until 2025. Whilst Saltire have worked with Cloch during this year, there have been discussions and an agreement that from August 2023 onwards Saltire would no longer carry out reactive and void repairs.

During 2022-23 Cloch have been involved in the re-procurement of these contracts. As of August 2023, we are now delivering our reactive repairs through a combination of separate contractors for the core trades such as joiners, plumbers, and electricians. We also

have a single point of call contractor for all out of hours emergencies, including heating and hot water, which was awarded to James Frew.

We now also have a framework of 4 contractors who carry out our void property repairs.

We are pleased with the outcome from the procurement of these contracts, and we hope this results in providing our customers with an improved repairs service which also provides value for money.

INVESTING AND MAINTAINING OUR HOMES

During 2022/23 Cloch spent £1,762,363 carrying out renewals and cyclical maintenance to our properties and external areas.

Works complete	Cost
Renewal of new double glazing to 111 homes	£569,397
Replaced new "A" rated energy efficient condensing boilers and / or upgraded new heating system to 71 properties	£216,509
Gas servicing & repairs: 99.7% were checked in the year and on time. The single failure related to a health and safety issue with the outstanding inspection carried out 3 days later	£153,301
Renewal of 28 kitchens	£147,858
Renewal of 29 bathrooms	£123,039
82 medical adaptations (wet floor showers / handrails etc)	£119,141
Ground maintenance & garden tidy scheme	£118,345
Electrical upgrades to 30 properties	£79,875
Passenger lift upgrade at 7 Lyle Street	£78,572
Gutter cleaning & roof anchor testing	£62,765
LD2 fire detection system upgrade (final works)	£43,061
Electrical safety checks to 340 homes	£36,762
Cyclical painting work to 15 homes and 3 internal closes	£13,738

PROCUREMENT OF WORKS AND SERVICES

We successfully procured £650,960 worth of works on the following contracts:

Contract	Successful contractor	Value of contract
Gutter cleaning & roof anchor testing	Patterson Safety Anchors	£270,000
Aids and adaptations	Everwarm	£200,000
Cyclical painting	JS McColl	£105,960
Passenger lift upgrade	ADL Lift Services	£75,000

POST PANDEMIC / RISING INFLATION

The contractor who was awarded the kitchen, bathroom, and heating contract in 2021 with a value of over £2M unfortunately entered administration in March 2022. Cloch then re-procured this work during 2022, however the returned tenders quoted a value of £4M. The £2M higher costs were a direct consequence of the increase in material and labour costs, affected by the financial climate and high inflation. This programme was unaffordable and did not represent value for money. Similarly, the procurement for the upgrade of close doors and door entry systems also returned tenders

more than 30% above estimated budgets and subsequently both programmes were postponed.

During the year Cloch has monitored the impact of rising costs on the delivery of our planned maintenance programme, which has been balanced against ensuring that we can also keep customers' rents as low as possible. We consulted with our customers during our rent setting process which involved reviewing our planned maintenance programme and expenditure.

YOUR FEEDBACK: (TEXT RESULTS)

We obtain feedback from our customers on their overall satisfaction when a reactive repair has been completed by sending a text message asking them to respond either “yes” or “no.”

When we receive feedback from our customers confirming that they are dissatisfied with any of the services we deliver, we discuss these with our customers to resolve them through our complaints handling process. We then review these to consider where we can improve on our delivery, including the service provided by our contractors.

A total of 470 customers responded to our text messages with 387 advising they were satisfied with the repair – 82%. Overall, there was also a good response to our text messages with a response rate of 30%.



EESH (ENERGY EFFICIENCY STANDARDS FOR SOCIAL HOUSING):

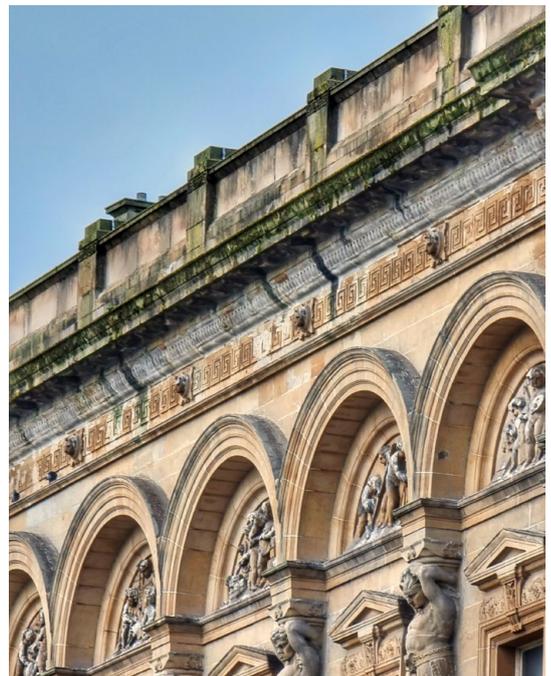
The Scottish Government initially set a target for homes to meet the EESH by December 2020 in line with the Scottish Government’s requirements. This was then followed by an initial set of targets outlined within EESH 2; however, this is currently under review by the “Zero Emission Social Housing Task Force” (ZEST), who are taking into consideration how this strategy can be re-aligned with the “net zero” standards and as quoted in the guidance **“so that social housing leads the transition to zero direct emissions buildings”**.

Whilst the targets set for the collation of EESH 2 data has been put on hold by the Scottish Housing Regulator for 2023 and 2024, our compliance was 94% against the original EESH standards for our stock.

We are also working in partnership with Changeworks who is a company that is helping Cloch to produce a strategy which will assist in the development of an investment programme for our homes, taking account of the energy efficiency standards and timescales set out by the Scottish Government.

FACTORING

Cloch provides factoring services to over 300 owners. The common works carried out in 2022/23 included communal area maintenance, landscape maintenance, close electrical testing, gutter cleaning & roof anchor testing.



LANDLORD REPORT

Every year Cloch submit an Annual Return on the Charter to the Scottish Housing Regulator. This report highlights the key indicators of our performance and compares them to Scottish Average and the results of local housing associations in Inverclyde, namely, Riverclyde Homes, Oak Tree and Larkfield. Full details can be found on the Scottish Housing Regulator’s website, www.housingregulator.gov.scot



Areas of Operation:
Inverkip,
Greenock,
Port Glasgow

Annual Return on Charter Results



At 31 March 2023,
Cloch owned
1,435 homes



The total rent due for the year was
£7,041,894



Cloch increased its weekly rent on average by **6.0%** from the previous year, compared to the Scottish average of 5.1% and local average of 5%.

Average Weekly Rents

Size of home	Number of homes owned	Cloch Average	Scottish Average	Local Average
1 apartment	6	£82.15	£78.26	£76.06
2 apartment	381	£88.61	£83.46	£80.17
3 apartment	759	£96.01	£86.28	£93.14
4 apartment	268	£107.07	£93.96	£103.88
5 apartment	21	£118.42	£103.72	£114.32

TENANT SATISFACTION

Of the tenants who responded to Cloch’s most recent satisfaction survey:

Overall service 😊

86.6% said they were satisfied with the overall service we provided, compared to the Scottish average of **86.7%** and local average of **87.2%**.

Keeping tenants informed 😊

93.9% felt Cloch were good at keeping them informed about our services and outcomes, compared to the Scottish average of **89.7%** and local average of **95%**.

Opportunities to participate 😊

92.8% of our tenants were satisfied with the opportunities to participate in our decision making, compared to the Scottish average of **85.9%** and local average of **95.6%**.

QUALITY AND MAINTENANCE OF HOMES

Scottish Housing Quality Standard

94.2% of our homes met the Scottish Housing Quality Standard compared to the Scottish average of **79.0%** and local average of **85.1%**.

Reactive repairs 'right first time'

76.5% Cloch completed **76.5%** of reactive repairs 'right first time' compared to the Scottish average of **87.8%** and local average of **79.9%**.

Repair or maintenance satisfaction

81.8% of tenants who had repairs or maintenance carried out were satisfied with the service they received, compared to the Scottish average of **88.0%** and local average of **90.7%**.

Emergency repairs

2.5 hrs

The average time Cloch took to complete emergency repairs was **2.5 hours**, compared to the Scottish average of **4.2 hours** and local average of **3 hours**.

Non-emergency repairs

7.4 days

The average time Cloch took to complete non-emergency repairs was **7.4 days**, compared to the Scottish average of **8.7 days** and local average of **9.3 days**.

NEIGHBOURHOODS

Percentage of anti-social behaviour cases resolved

99.5% of anti-social behaviour cases relating to Cloch were resolved, compared to the National average of **94.2%**, Scottish average of **94%**, and local average of **97.4%**.

VALUE FOR MONEY

Total rent collected

99.9% The amount of money Cloch collected for current and past rent was equal to **99.9%** of the total rent that was due in the year, compared to the Scottish average of **99.0%** and local average of **98.4%**.

Rent not collected: empty homes

1.4% Cloch did not collect **1.4%** of rent due because homes were empty, compared to the Scottish average of **1.4%** and local average of **2.5%**.

Re-let homes

56.3 days Cloch took an average **56.3 days** to re-let homes, compared to the Scottish average of **55.6 days** and local average of **112.7 days**.

COMPLAINTS REPORT 2022/2023

Cloch takes complaints very seriously and this is reflected in the number of complaints we record. We treat all dissatisfaction as a complaint to ensure that we are addressing all service failures and customer dissatisfaction.

HEADLINE FIGURES 2022/2023

Total No. of complaints raised **552**

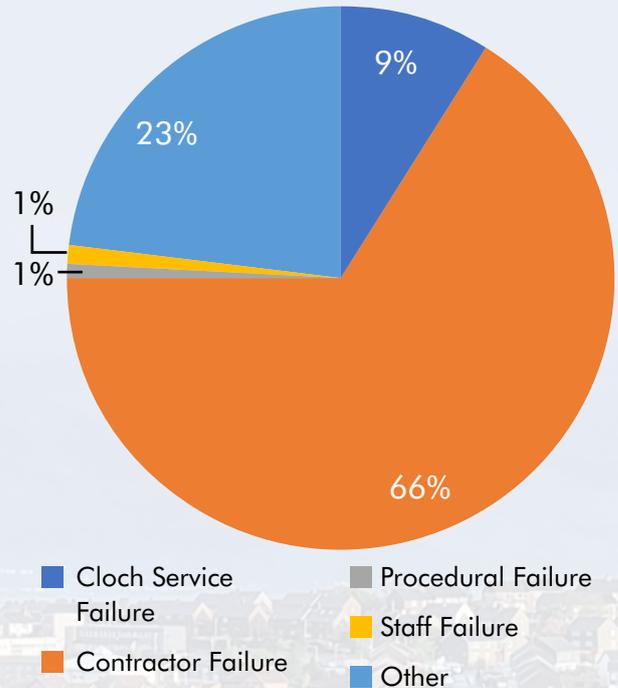
Total Upheld **392**

HEADLINE FIGURES 2021/2022

Total No. of complaints raised **611**

Total Upheld **241**

There was a 18% decrease in the number of complaints recorded compared to the previous year, however the number upheld increased by 38%. From a review of the upheld complaints the majority related to contractor failures and as highlighted in the Chair's report there has been a focus on improving this service, with a move away from using a single contractor to working with multiple, local contractors. We also had several queries around factoring invoices, and we are in the process of developing new communication channels to provide additional information to customers. Where there were staffing errors, these were addressed by line managers and apologies were issued to customers, with refresher training provided to staff.



SPSO 1 Complaints (front line complaints)

	% closed on time	Average days to close
2022/2023	98.2%	2
2021/2022	98.5%	2

SPSO 2 Complaints (serious complaints)

	% closed on time	Average days to close
2022/2023	97.9%	12
2021/2022	99%	16

Complaints escalated to the Scottish Public Services Ombudsman (SPSO)

These are complaints where the complainer feels Cloch has not resolved the complaint correctly and have escalated it to the SPSO.

	No. reported	No. upheld
2022/2023	0	0
2021/2022	2	0

Equalities complaints

These are complaints where the complainer feels they have a protected characteristic which has been discriminated against.

	No. reported	No. upheld
2022/2023	6	1
2021/2022	8	4

COMPLIMENTS

As well as recording complaints, we record compliments from our customers as it's always good to hear what we are doing well.

Tenant advised joiner did a great job.

Tenant wanted to thank Ashleigh for all her assistance and help with getting back on track with his tenancy.

Daughters of deceased tenant came into the office to thank Lorraine for all her assistance following their mum's death.

Tenant would like to thank Julie for her prompt action getting gas leak issue resolved.

Tenant phoned in to pass on her thanks to David for his assistance getting her heating reinstated.

Tenant sent in thanks to Laura for all her help getting his issue with energy company sorted.

Tenant was very impressed with the work that Caroline did when he was moving into his furnished flat, was so grateful for all her help, went above and beyond, flat was amazing.

CORPORATE SERVICES ANNUAL REVIEW

The Corporate Services Team look after the health and safety and wellbeing of staff and Board. Our role includes Human Resources, Governance, Office Management, and corporate publications.

RECRUITMENT

Due to staff leaving, staff promotion or the need for new posts, we went out to recruitment seven times last year. Cloch have a growth mindset and are committed to providing opportunities. We were delighted to add a Modern Apprentice in IT to the team this year and recruited an excellent candidate from the local area.

EQUALITY AND DIVERSITY

During the year we surveyed our customers to gather equality data. The data will allow us to better understand our customers, the potential barriers they may face in accessing our services and potential new areas of work. It is also a requirement of the Scottish Housing Regulator.

The data collected and ongoing engagement with our customers helps to shape our services and improve our performance. During the year we have introduced further translation services on our website and through cards in our reception. We also provided training to upskill our staff team on a number of areas including dementia, autism, and modern-day slavery.

GOVERNANCE

Four Board members resigned during 2022 for personal reasons and while sorry to see them go, we were delighted to welcome 3 new members to the Board. Board meetings are held on a hybrid basis with attendees in the office and online. The 11 Board members also came together for an in-person strategy day to review and update the Business Plan.

HEALTH & SAFETY

The two-yearly health and safety audit was undertaken in November. This audit gave us the reassurance that our Health & Safety processes are compliant and highlighted areas for further improvement. This included updating DSE assessments and risk assessments for home working which were carried out this year. Four staff continue as registered First Aiders, and we reregistered our Defibrillator.

DATA PROTECTION AND FREEDOM OF INFORMATION

We received 6 Subject Access Requests. All were responded to in full. One data breach was reported, this was minor, did not result in any risk to the data subject and did not require reporting to the Scottish Information Commissioner. Four Freedom of Information Requests were received, and full disclosure was given in each case.



CALL HANDLING

A total of 21,731 telephone calls were made to Cloch during office hours last year. 97% of these calls were answered (21,035) and 3% were unanswered as the customer hung up before we could answer.

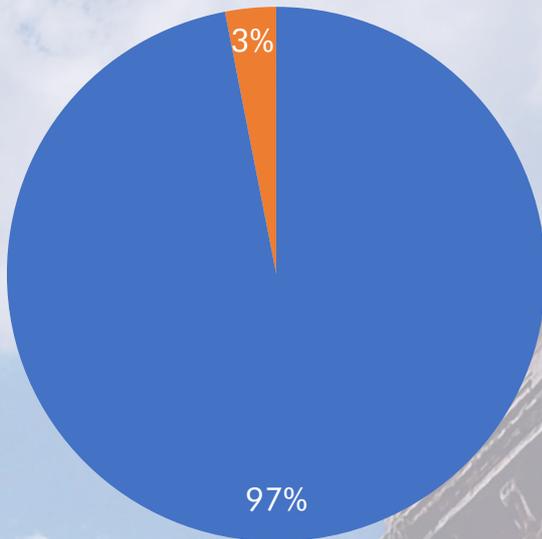
Of the 21,035 calls answered 78% were handled by the Customer Connections Team with the remaining 22% having to

be transferred to a colleague (skills-based queue).

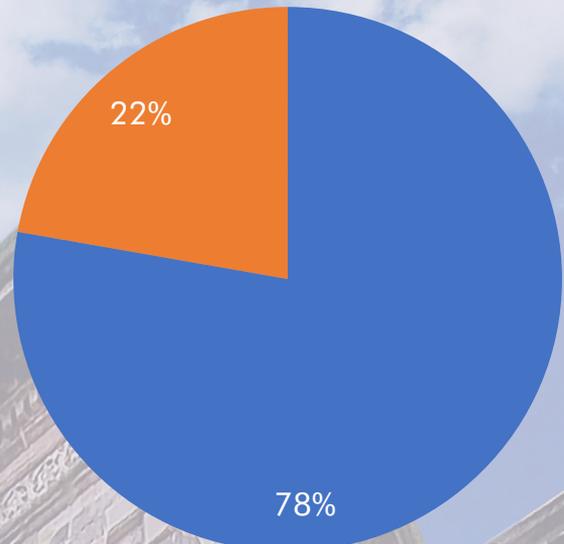
We are working to increase the volume of calls handled by the Customer Connections Team, first point of contact, to reduce the need for call backs to customers and increase our first-time fix rate resulting in an improved service for customers.

All calls		
Answered	Unanswered	Total
21,035	696	21,731

Answered by queue		
CC	Skills-based	Total
16,415	4,620	21,035



■ Answered ■ Unanswered



■ CC ■ Skills-based

FINANCIAL PERFORMANCE

Cloch continues to manage its finances with a long term, strategic focus. 2022/23 was a challenging year, with high inflation and contractor resource constraints impacting our costs and delivery of our planned and reactive maintenance services.

Cloch made an annual surplus of £1.83M, which is an increase from £1.14M in the previous year. The increase was due to a few factors. Lower void rent loss and void maintenance costs compared to last year, as the majority of the Wellpark refurbishment project was completed in the 2021/22 financial year. Gains made on the sale of 6 properties as the

historic cost carried in the accounts was lower than the current market value, and increased rental income as the Kings Glen new build properties were let for the full year. The £1.83M surplus achieved from our day-to-day activities was reduced due to the annual valuation of the pension scheme, which increased the pension liability and resulted in an overall adjustment of £0.4M, (non-cash transaction), effectively decreasing the comprehensive income for the year to £1.43M. Cash balances remain healthy at £3.33M. All surpluses are reinvested in our services or used to fund the long-term planned maintenance programme.

The following table highlights the main sources of annual income and expenditure for Cloch Housing Association:

Statement of Comprehensive Income - 2022/23	2023	2022	A Non-Accountants Guide to the Accounts
REVENUE	9,375,416	8,978,720	Rental income, grant income & income from other activities
Less operating costs	(7,180,388)	(7,371,833)	Cost of management and maintenance of properties
OPERATING SURPLUS	2,195,028	1,606,887	
Gain on sale of housing stock	207,806	3,300	Relates to an overall gain on the sale of 6 properties, (2022 was for 1 property)
Interest receivable and other income	17,623	2,760	Interest earned from money invested in bank accounts – lower rates received in 2021/22
Interest payable and similar charges	(473,578)	(439,545)	Interest paid on loans, (mortgage payments)
Other finance charges	(111,947)	(31,383)	Loan arrangement fees and fees to guarantee the availability of funding when required
SURPLUS FOR THE YEAR	1,834,932	1,142,019	Leaving this amount to fund future planned maintenance

FINANCIAL PERFORMANCE

Statement of Financial Position – As at 31-3-2023	2023	2022	
Housing properties, less depreciation	73,599,699	75,035,727	This is the cost to build our houses and replace items such as kitchens and bathrooms
Other fixed assets	456,893	469,683	This is the value of our office accommodation, IT and office equipment
	74,056,592	75,505,410	
Assets and Liabilities			
Receivables	461,930	298,680	Money owed to us
Cash held	3,333,215	3,893,116	Money in the bank
Creditors due in 1 year	(3,034,537)	(2,945,370)	Money owed to others, e.g., maintenance contracts, etc.
Creditors due after 1 year	(11,399,775)	(13,476,079)	Money owed on loans, (secured by specific charges against our properties)
Pension Scheme	(269,000)	nil	Pension liability
Deferred Income			
Social Housing Grant	(43,424,453)	(44,958,128)	Grant provided by the Government to help fund building new homes
Other Grant	(481,129)	(500,722)	
Net Assets	19,242,843	17,816,907	Higher by March 2023 due to annual surplus
Capital and Reserves			
Share Capital	57	53	Represents shares at £1 each
Reserves	19,242,786	17,816,854	Sums built up in previous years and this year's surplus

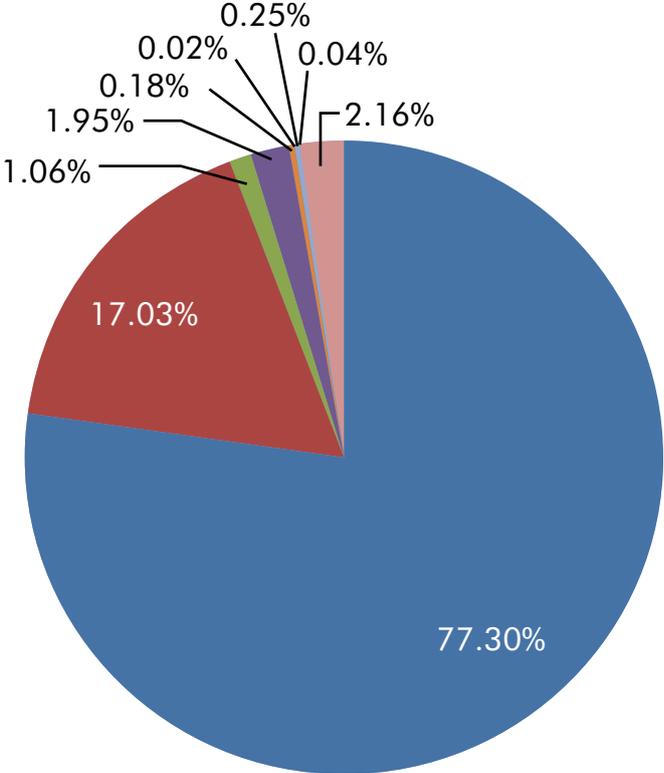
FINANCIAL PERFORMANCE

The charts below show the Income and Expenditure broken down into categories:

INCOME

Cloch's total income increased by 4% from the previous year, increasing to £9,375,416 from £8,978,720. Most of our income comes from rent and service charges (£7,421,313); however, grant released from deferred income and Government grants was 19% of total income and this was £1,821,940 in the year.

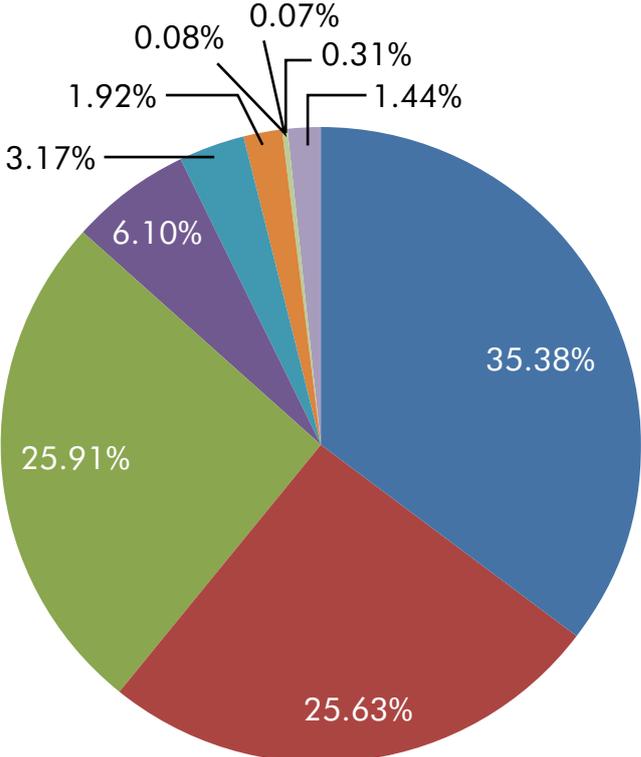
- Rent And Service Charges
- Deferred Grant Released
- Wider Action
- Government Grants
- Interest Received
- Common Housing Register
- Factoring
- Insurance Income Received



EXPENDITURE

Cloch's operating expenditure in 2022/23 was £7,180,388 and down from £7,371,833 in the previous year. The main expenses are running costs named as management and administration costs (£1,990,314), reactive maintenance (£1,294,516), planned and cyclical maintenance, (£717,561) and housing depreciation (£2,747,761). Housing depreciation is the reduction in carrying value of our houses to spread the cost over the useful life of these assets.

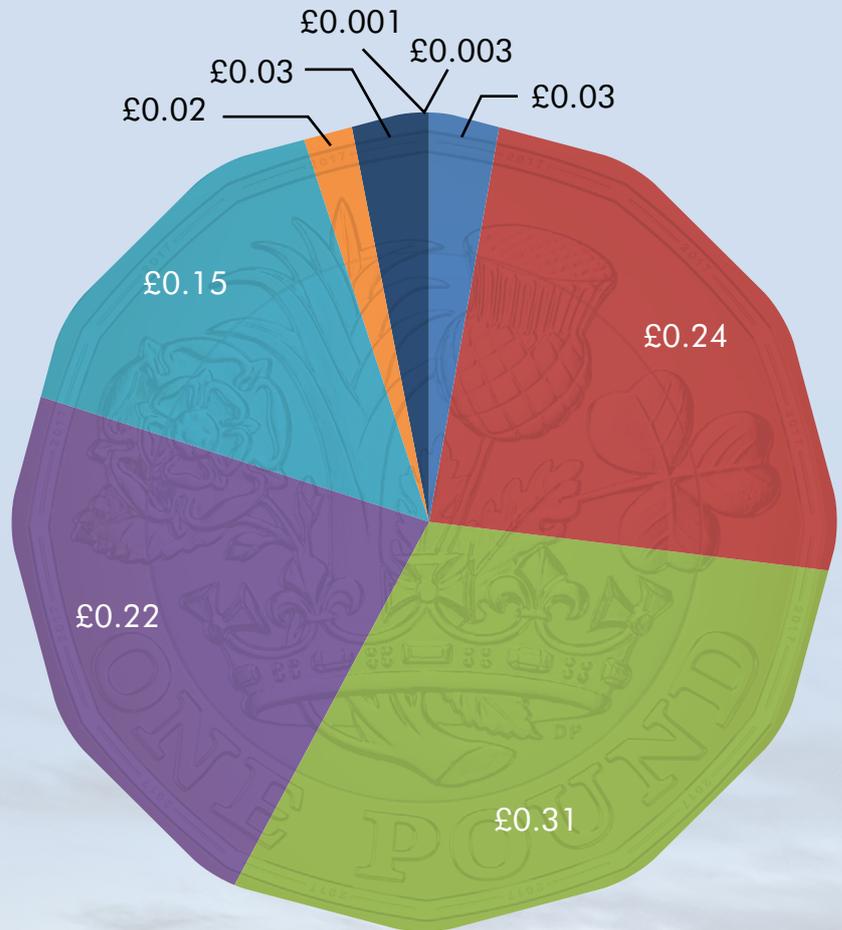
- Depreciation
- Management
- Maintenance
- Interest Paid
- Service Costs
- Wider Action
- Bad Debts
- Common Housing Register
- Factoring
- Other Finance Costs



The chart below shows where we spent our cash for every £1.00 of cash received in 2022/23. This excludes non-cash items such as movement in pension asset, depreciation and deferred grant income:

For every £1.00 of cash utilised in the year, we spent the money on:

- **£0.03** went on service costs, e.g., common electricity, close cleaning and lift maintenance
- **£0.24** on delivering the services, e.g., staff costs, office accommodation, IT, general overheads & maintenance overheads
- **£0.31** paying for our £12.5M loans, (interest and repayments)
- **£0.22** went on planned and cyclical maintenance, e.g., new bathrooms, kitchens, boilers, painting, landscaping and gutter cleaning, etc.
- **£0.15** went on day-to-day repairs
- **£0.02** on other activity costs, e.g., wider action the common housing register and factoring, with the majority of costs covered by income
- **£0.03** went on property acquisitions
- **£0.001** went on bad debts
- **£0.003** went on buying new computer equipment



The graph below shows the historical cost value of our properties over the past few years, with the value increasing from £118M in March 2022 to £119M by March 2023.



Cloch has invested £118,888,256 in properties held as at 31 March 2023.

Depreciation to date against this value for wear and tear amounts to £45,288,557.

Additions in the year included £1,215,250 of capitalised major repairs, e.g., kitchen, boilers and bathrooms and £212,000 for house purchases.

At the year-end the Association’s housing properties have a net book value of £73,599,699



IT

During 2023 there was a focus on further modernisation of the IT systems and services to provide staff with flexibility, functionality, and security. There was also a focus on providing improved IT services to customers and suppliers.

The IT Team also welcomed a new Modern Apprentice who will be with us until September 2024,

gaining valuable workplace experience and a Diploma for Information Technology and Telecommunications Professionals (SCQF Level 6).

During the year some important projects and developments were delivered which further improved the Association's IT systems, services and profile.

REVISED CLIENT HARDWARE STRATEGY

To facilitate the Association's increased focus on business continuity and flexibility in service delivery post Covid-19, a new client hardware strategy was agreed. All staff now have laptop computers as their primary IT device, ensuring they can connect to IT systems either inside the office or remotely via remote access technologies.

Alongside the longer-term client hardware replacement programme, this new hardware strategy guarantees staff have up-to-date tools to provide core services to customers and the wider community.

CYBER SECURITY ACCREDITATION

Cloch renewed the National Cyber Security Centre – Cyber Security Essentials accreditation that we have had since 2020. This accreditation provides recognition and reassurance to staff, customers, and partners that the security systems and services protecting the

Association's IT systems are robust and of an industry approved standard.

As part of this project the Association introduced further IT security measures on the systems including an upgraded network firewall and multi-factor authentication.

DIGITAL INCLUSION PARTNERSHIP WITH INVERCLYDE LIBRARY

The Association worked in partnership with Inverclyde Library to help deliver their 'Make IT Real' course. This course focussed on providing practical training sessions and guidance with mobile devices such as tablets and smartphones.

The 5-week courses were offered to our customers with sessions being provided at Elliot Court Sheltered Housing complex and from our office. Cloch's IT staff assisted Library staff with the training delivery.

There was positive feedback from the course attendees and Cloch & Library staff, it's hoped we can look at further partnership opportunities in the future.

CEO CLOSING COMMENTS

Since rejoining Cloch in October 2022, I can hardly put into words how delighted and privileged I feel to be leading the organisation. The Cloch Team of Staff and Board Members are an exceptional group of people, committed to serving our communities. Many of our staff have been with Cloch for over 20 years and I know the role they do is more than a job, it's a vocation.

Since returning in October, the highs for me have been the work we did refreshing our Business Plan, which involved the Board Members bringing their strategic helicopter view to the review, whilst the Staff Team informed this by bringing their grass roots knowledge. This piece of work resulted in a clear and up-to-date delivery plan for the next 3 years.

With a background as a Finance Director, I also appreciated the work involved in refinancing our loans with our lenders, who were a great support throughout the project and the financial impact of this piece of work has been significant in supporting the lower than inflation rent increase for this financial year.

The Staff Team also had to deal with a flooding incident at the end of December, and this impacted 6 of our families at Kilmacolm Road. This was a distressing time for those affected but the Staff Team did everything they could to support and rehome our families as soon as possible. The damage to the properties was significant, however they are now ready to be moved back into, with the refurbishment work carried out to an excellent standard and we are working with Inverclyde Council to mitigate the risks associated with future flooding in the area.



I am really proud of the Staff Team's work on the new repairs and maintenance contracts, moving to a model of using multiple local contractors from one main contractor, which was innovative and benefited from partnership working with two other Housing Associations. Our IT Team have developed a Contractor Portal, to support working with smaller contractors and this helps with informing us when jobs are complete, and it also reduces the administration burden for the contractors.

I am excited about our new Community Support Team, which has had a resource boost for the next 3 years, thanks to the Scottish Government's Investing in Communities Fund. This will enable us to support more customers and community members in terms of wellbeing, which we know is very important at this challenging time and working with local support

organisations will be key to the project's success.

We have also established a new Customer Involvement Team and they have delivered a number of fantastic activities, which has allowed us to meet more of our customers face to face and hear what is important to them. So far this year these activities have touched over 100 families and relate to our Big Bike Giveaways, working in partnership with Community Tracks, (which is part of The Trust) and our Summer Soft Play event. We also have a cinema event planned for late September and over 100 customers are attending this.

I would like to finish up by thanking Staff and Board for their day-to-day support and contribution, making Cloch a great place to work. I would also like to thank you as our customers, for choosing Cloch as your landlord and supporting us in so many ways.



19 Bogle Street, Greenock PA15 1ER.

e office@clochhousing.org.uk

t 01475 783637

w www.clochhousing.org.uk

