



ANNUAL REPORT 2020



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CHAIRMAN'S REPORT



When we started this reporting year back in April 2019, we knew that it would be a year of challenges, new experiences, and exploring different options for the future of the Association.

As I write this, almost 18 months on, none of us could have foreseen the extent to which this forecast would come to be realised. Our whole lives have been impacted by recent events with COVID-19 changing the way we live, the way we work, the way we socialise, and even the way we shop. We've all had to face personal and professional challenges and find ways to respond and adapt to our changing environment, and the changes don't stop there. With continued restrictions in place, and likely to remain that way for the foreseeable future, we're all having to adapt to a 'new normal'.

For AHA, this means reflecting on our services and exploring how we can continue to deliver what our customers want, in the ways that they want, whilst ensuring the safety of everyone involved. We believe that

we are well-prepared for this, and with our focus over recent years on digital inclusion initiatives, we believe that many of our customers are too.

Inevitably some things will take longer as we adapt to working with increasing safety measures and different ways of communicating. But our commitment to delivering quality customer-focussed services hasn't waned in the slightest and we'll continue to work to make sure that all of our customers are kept informed of our vision and have the opportunity to provide input where practical.

You will see, as you progress through this Annual Report, that we've adopted a theme of reflection for this year. With the impending retirement of George Webster, who has served as the Association's Chief Executive for the past 26 years, there was perhaps a natural tendency to reflect on his journey with the Association over nearly 3 decades. Recent events have only served to emphasise the importance of taking time to reflect on our role as a service provider, a local employer, and a key contributor to our local communities. And so you will see, as you work through this Report, examples of our progress throughout the years. We are very proud of our transition from initially acting as a Management Company on behalf of Livingston Development Corporation to what you see today – a locally-based, trusted social landlord with over 2500 properties, working with customers, communities and partners to deliver a wide range of services to those who need them.

Our recent Tenant Satisfaction Survey, carried out by Research Resource in late 2019, provided the opportunity to look back at our impact in these areas, with 91% of

our customers stating their satisfaction with the service provided by the Association. 94% of customers feeling good about the way we keep them informed about our services and decisions, and 81% commenting that rents represented good value for money. But we know that we can do better and our vision for improvement has recently involved an overhaul of our reactive repairs contracts as part of a new procurement exercise for these services.

We are clear in these new contracts about our expectations in terms of the levels of service our contractors will deliver on our behalf. This will be a testing time for us all as we move to these new contracts, in some instances with new providers, but we believe that it will be worth it, and we can see a better, more responsive repairs service on the horizon.

We know that this coming year will be one of massive transition – there will be more challenges to face as we continue to adapt to the circumstances of COVID-19. But we believe we have laid solid foundations to support us through future challenges. In Autumn of 2019 we engaged sector-leading consultants to undertake a Strategic Review of the Association, assessing our performance, our stability, our strengths. The outcome showed us to be a resilient organisation, with clarity about our future.

We already knew that our customers expectations of our services was changing, but this has been advanced by the circumstances around COVID-19.

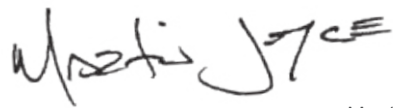
Our customers want to see services which are flexible, and responsive to their needs. With this in our sights, we began work during 2019/20 to look at digital solutions to

support more flexible service provisions. We envision the launch of a customer focussed app and portal in Autumn 2020 and will keep you all informed of our progress as we work towards this date.

Our people, forced to change their ways of working as a direct result of lockdown, also want a workplace which recognises them as individuals, and supports them to achieve a positive work/life balance. Like many other workplaces, we were challenged by the sudden move to remote working across the entire staff team, but we believe this has been largely successful and take pride in our team's ability to respond to the dramatic changes in how they worked. We see further changes in the future, which will allow greater flexibility, both for our people and for our customers, and are excited about what this will look like.

All of this will be in the context of welcoming a new Chief Executive to lead the organisation. But, as we prepare for a year of transition and change, we know that we have the support of our customers, our people, and our communities, as we work to deliver better services, with better outcomes for all.

My best wishes to each and every one of you,



Martin Joyce,
Chair, Almond Housing Association



REFLECTING ON OUR HISTORY



This is my last contribution to the work of Almond Housing Association, and with my involvement stretching back over a quarter of a century it could be said – it's about time!

I'd imagine it's a strange time for anyone who decides to retire; it's a big decision and a major milestone. I've had such a long history with the organisation it's really going to be a new experience NOT thinking about Almond. It's been a huge part of my life and in a way it's difficult to imagine a life without Almond. However, the long lies in my bed and lazing about generally will help me forget, if of course my wife allows that. Which of course she won't.

Back in 1994 I was fortunate to be given that oft mentioned 'blank sheet of paper' to set up an organisation from scratch. It was an exciting and somewhat scary opportunity and although I had little idea of just how many challenges would lie ahead I knew that I needed help – and a lot of it.

My first tasks were to set up a staff team which would be capable of performing at a top level, and also finding volunteers who would form the fledgling Board responsible for running the organisation. I sought out enthusiastic customers and local business people who shared my vision; building a strong organisation which could change lives for the better and provide quality housing at affordable rents. My first staff team were chosen with great care. Each one a top performer whom I trusted to always put customers' needs and wishes first. If we were to succeed then that would be because of the quality of our staff and our ability to operate as a team doing things better.

My tactic of surrounding myself with people who are smart and also kind was a winning formula from day one. It's a simple idea, but very effective. I've made it a habit. Now I'm possibly the least smart person employed by Almond although I like to think I'm still fairly nice.

Due to the hard work of the staff team, and the support and enthusiasm of our new Board we were well supported by the local community and succeeded in the wind up ballot. We had been chosen as preferred landlord of around 2200 tenancies. Somehow I had persuaded the Royal Bank of Scotland to lend several millions of pounds to finance the deal, and I have to admire the confidence – or bravery – of the bank to do so. It certainly wasn't the worst decision the bank took. That would come in 2008 when the financial world crashed!

Already providing a super service – as evidenced by the ballot result, enthusiastic staff and positive feedback from our customers led to many more service improvements. An appointment for repairs was available to our customers over two decades ago, yet has only become widespread over the country in recent years. We agreed with the local council to have a housing benefit processor based in our office, serving only Almond customers in order that claims were processed quickly and accurately. Both initiatives were warmly welcomed by our customers.

One of the many challenges we faced in our early years related to our pledge to 'Provide the Right to Rent' and ensure future generations would have access to quality affordable housing. When the UK Government decided to extend the right to buy to Housing Associations,



Almond lost no time in converting to charitable status to protect the business and enable our properties to be kept available to all. We had embarked on our promised programme to improve our older properties as soon as we took formal ownership and in order to provide more social housing in West Lothian we set up a

Development Alliance with other local housing providers. Almond led a partnership which would last many years and provide hundreds of new social rented properties in the area.

Almond quickly gained a reputation for high performance and high engagement with our customers with Tenant Surveys showing high levels of satisfaction. We continue to get great help from our Tenant Focus Group which provides great input on how our services should run. Always embracing change, we are at the forefront in new initiatives such as Housing First where we partnered with The Rock Trust to pilot a project to help young homeless people. This has proved to be literally life changing for the young people involved and we hope this pilot will be replicated across the country. We work closely with other agencies to better the lives of our communities in general and provide many services which help those most in need in different ways, making our communities stronger and more vibrant.

I'm actually quite proud that there are too many initiatives for me to mention without this becoming a bit of a ramble, so I'll stop now. Like all good things, this article and my career in housing and particularly with Almond must come to an end.

My thanks go to everyone who has helped me do my job over the years. Particularly the staff team past and present who make Almond what it is, the Board who have supported me so well and of course our partners, including contractors, other housing organisations, the council and the Scottish government who have helped us to succeed in our aims.

I've been very fortunate to lead a brilliant organisation through its formation and development but it's time to allow someone else to take up the reins. I'm confident Almond will continue to improve and grow and I'm immensely proud to have been a part of this success story.

Once again there are great challenges ahead, and Almond will continue to overcome them. My very best wishes go to all who serve or are served by Almond Housing Association. Thanks for taking the time to read this.

Best wishes,

George Webster,
CEO (retired!)



REFLECTING ON OUR PERFORMANCE



Each year we continue to maintain properties and make further improvements to ensure our customers' homes are safe, secure and as affordable as possible. We also take great care in letting our homes to those most in need and put customers' priorities at the forefront of our decisions and processes.

MAINTAINING YOUR HOMES

Maintenance is of paramount importance to Almond HA and this year we continued our focus on energy efficiency. As part of this focus, we carried out boiler replacements and resurveyed a number of properties to ensure our information was accurate and up to date. This work supports us to comply with the Energy Efficiency Standard for Social Housing (ESSH), which we are required to achieve by December 2020. At the beginning of the year we had over 400 properties which required work to bring them up to the Standard, but by the end of the year that number was reduced to 166 properties. This will stand us in good stead for the next stage of energy efficiency compliance (ESSH 2).

IMPROVING CUSTOMER SERVICE

During the year, the Capital Projects team worked to improve their processes. High satisfaction rates were achieved throughout the year but we recognise that we can always improve and feedback from our customers is vital in determining different ways of working and establishing new initiatives. We have also introduced monitoring around defects on Capital Projects work, and whilst we note that only a very small number of works experienced a defect we will continue to monitor this over the year.

On the reactive repairs side we have had a change of Manager at the same time as managing the transition to new contracts. Considerable work has gone into ensuring

that the new contracts are clear and establish the customer service requirements we wish to achieve going forward. We are yet to see the full impact of these efforts as the contracts only went live in May 2020, but we hope to report a successful year in the next annual report.

BUILDING NEW HOMES

During 2019-20 we were delighted to get the Ladywell site underway. This development will provide 4 terraced houses and 8 cottage flats for social rent to Almond HA customers. Sadly, the site had to close during the period of lockdown but, all going well, we hope that this will be completed later in the year.

We have also been delighted to have made real progress with our new build development at Polbeth. This is a project which the Association has been working on for a number of years and we are very pleased to be tying up the final issues ready for the site start. The Polbeth site will provide 2 semi-detached houses, 5 terraced houses, and 18 cottage flats for Almond HA customers.

£2.4 million was spent on improving our housing stock, with works including:

- New smoke detectors and electrical testing in 805 properties
- Window and door replacements in 331 properties
- New fencing in 55 properties
- Boiler replacements in 214 properties
- Upgraded cyclical decoration in 20 properties
- 505 EPC's completed to assess the energy performance of properties

RAPID REHOUSING

As part of the Scottish Government's plan to tackle homelessness and reduce waiting times in unsuitable temporary accommodation, every local authority had to produce a Rapid Rehousing Transition Plan in conjunction with other registered social landlords like ourselves. Tackling homelessness is not simply a duty that must be performed by West Lothian Council but one which all social landlords have a responsibility for, including Almond Housing Association.

As part of our commitment to tackle homelessness in West Lothian, in 2019-20 we allocated almost 60% of our empty properties to homeless, or at risk of homeless, applicants which was second in the county only to the council. Many of our current customers have come through this route and we know how important it is for someone to finally have a place of their own.



West Lothian has one of the highest rates of youth homelessness in Scotland.

- In 2019-20 we let 140 properties, up on last year's figure of 122

HOUSING FIRST FOR YOUTH

2019-20 saw the end of our pilot project "Housing First for Youth" (HF4Y). The aim of the project was straightforward. A young care leaver is allocated a property with a high level of initial support (via the Rock Trust) with the aim that eventually they achieve greater independent living skills and become part of the community. In this way, the care and support changes rather than the young person's physical location – defying the trend for young care leavers to have to keep uprooting themselves from their support worker, home environment and local community thus allowing them a greater degree of security and stability. A secondary goal was to test the concept and share our experiences with other organisations who may then consider how they could deliver Housing First projects. The project was able to meet its goals with a high sustainability rate and significant national (and European!) interest which led to the Association being invited to participate in national Housing First strategy discussions.

We were delighted to be advised that West Lothian Council plans to mainstream the project for 2020-21 and follow the model we set out. All of the young people still engage with the Rock Trust and 9 out of 10 are still our customers.

Well done to them for proving it could be done!





WELFARE REFORM

One of the biggest challenges for our customers is the impact of welfare reforms. A significant proportion of people receive some kind of assistance or benefit at some point in their tenancy, from child benefit to housing benefit. Universal Credit has undoubtedly tested our staff and customers ability to manage rental income. The Association has consistently pushed the Department of Work and Pensions to improve how Universal Credit works, aided by the support of our very own Board Member Jeremy Hewer of the Scottish Federation of Housing Associations. With almost 600 customers in partial or full receipt of Universal Credit by the end of March 2020 we need to be more proactive than ever to help deal with the impact it has. The impact is fairly clear and the picture is the same nationally, if you are forced to claim Universal Credit, you are more likely to fall into rent arrears.

UNIVERSAL CREDIT

Universal Credit rent payments are often paid weeks after the customer claims it. This has contributed to around £130,000 worth of outstanding rent payments through no fault of the individual claimants.

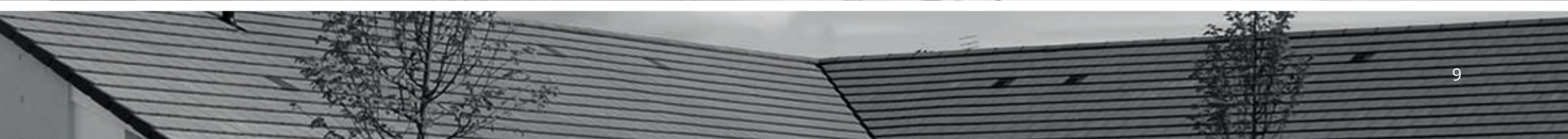
GIVING CUSTOMERS OPTIONS AND STOPPING BANK CHARGES

As part of our drive to deliver excellent customer service we added a new way to make payments. Recurring card payments (RCP) or Continuous Payment Authority as it is also known is a little like a direct debit but does not apply a bank charge if there are no funds in the customer's account.

Whilst we obviously want our customers to keep up with their rent, we recognise that unforeseen circumstances can see them burdened with additional charges from their bank. The RCP is a way of preventing these additional charges. Many customers have moved from direct debit to this method and thereby avoided being hit with bank charges when they least could afford it.

To reassure customers about the process, and to ensure transparency, we have created our own guidelines around the use of RCP's similar to the direct debit guarantee.







REFLECTING ON OUR COMMUNITIES

As well as providing quality homes for our customers, we believe we have a responsibility to support the communities in which we operate. During 2019-20 we continued to partner with a number of local and national groups to develop and support wide-ranging initiatives for the benefit of these communities.

IMAGINATION LIBRARY – FREE BOOKS FOR EVERY CHILD UNDER 5 YEARS OLD

We joined Dolly Parton's Imagination Library as part of our commitment to encouraging literacy in young children. Through this initiative, our customers with young children are able to access a free book every month until the child turns five years old. Many of our customers have embraced the opportunities of the Imagination Library and every day we continue to gain new members. At the end of April 2019 we received our youngest ever sign-up, a baby born on the 3rd of April!

2019-20 saw more than half of our customers with children under five years old now signed up to Dolly Parton's Imagination Library

One of our customers reached out to tell us just how the Imagination Library has made a difference to her family: *"Thank you, Almond Housing, for being involved in Dolly Parton's Imagination Library!! My little boy's favourite time of the month is when his new book comes through the door. You've made bedtime exciting and he can't wait to get into bed and read the next story. You've done a fantastic job at encouraging our children to read. Thank you!"*

EASTER OPEN EVENT

Almost 50 customers and their children came along for our Easter Event in April 2019. We received some great feedback from customers about our ongoing community engagement work and they shared wonderful ideas for our future activities.

OPERATION: HAPPY CHRISTMAS

Christmas can be a difficult time and in 2019 we wanted to create an exciting festive season for our customers through our Operation: Happy Christmas campaign. In conjunction with Almond Enterprises Limited, we carried out winter wellbeing checks and delivered wellbeing packs to our more vulnerable customers. The pack included essentials such as handwarmers, tissues, antibacterial gel, thermal mugs, tea towels and a festive item.

360 WINTER WELLBEING PACKS WERE DELIVERED TO CUSTOMERS

Festive Food Hampers were also created for customers and their families and then delivered to the door. Each parcel was made up of grocery items to help different sized households over the Christmas period. This successful initiative was possible largely in part to the considerable support we received from our contractors and other partners. It was also aided by our thoughtful customers who were able to nominate their Almond neighbours for a hamper or other festive treat, ensuring no one was left behind during the festive season.

62 FESTIVE FOOD HAMPERS WERE DELIVERED TO CUSTOMERS

Our popular pantomime raffle took place, with pantomime tickets secured for customers and their families to allow them to enjoy a bit of festive magic at the Howden Park Centre.

Toys were also donated to our customers through our partnership with Cash for Kids Mission Christmas and we created our very own selection boxes for children to enjoy at our Christmas Open House, where everyone got the chance to meet Santa!

70 PANTOMIME TICKETS WERE GIVEN TO CUSTOMERS

100 CHILDREN RECEIVED GIFTS FROM CASH FOR KIDS MISSION CHRISTMAS





OPERATION: HAPPY CHRISTMAS

sfha service award

1995-96

10th Anniversary Edition

In February 2008...

£2.49

COMMUNITY SOUP

This year we again secured funding which allowed us to support community initiatives that benefit our customers and other local residents. We invited groups along to our Community Soup event in February 2020 to pitch for funding that would help them to deliver fantastic services to our communities.

Following an application process, representatives of each group were invited to the event and shared their ideas with one another. The groups then voted for the project that they felt deserved funding, before votes were counted and George Webster presented some well-earned cheques.

We were delighted to be in the fortunate position that allowed us to present all groups with funding towards their projects. The benefit of the funding is already showing, with Riverside Community Fridge and Ladywell Community Fridge providing consistent supplies of fresh and non-perishable food on a weekly basis, The School Bank purchasing clothes for the next school year and Riverside PTA starting on their community garden.

GROUPS FUNDED

- West Lothian Food Train
- Ladywell Neighbourhood Network
- First Steps Playgroup
- Ladywell Community Fridge
- The Schoolbank West Lothian
- Riverside PTA
- Daisy Drop In Playgroup
- West Lothian 50+ Network and
- West Lothian Youth Action Project.



REFLECTING ON OUR FINANCES

Throughout 2019-20 our focus was on continuing to improve our properties, investing £2.46m on component replacements and improvements. The COVID 19 pandemic impacted on our ability to further enhance our properties with a significant underspend on major works due to our contractors being unable to carry out work as a result of the restrictions put in place during late March 2020.

We also continued to provide services to the West Lothian Development Alliance (WLDA). During 2019-20 we also purchased properties within property blocks where we own the majority with 4 properties purchased on the open market from a combination of Scottish Government funding and reserves.

Changes in accounting disclosure values on our closed defined benefit pension scheme continue to affect our Total Recognised Surplus for the year, with an accounting surplus being recognised in 2019/20 due to gains in interest and investment returns. Given the recent market volatility as a result of the COVID 19 pandemic, significant changes in the valuation of pension scheme assets and in actuarial assumptions are expected. The defined benefit liability as at 31st March 2020 was £198k, a reduction of £581K.

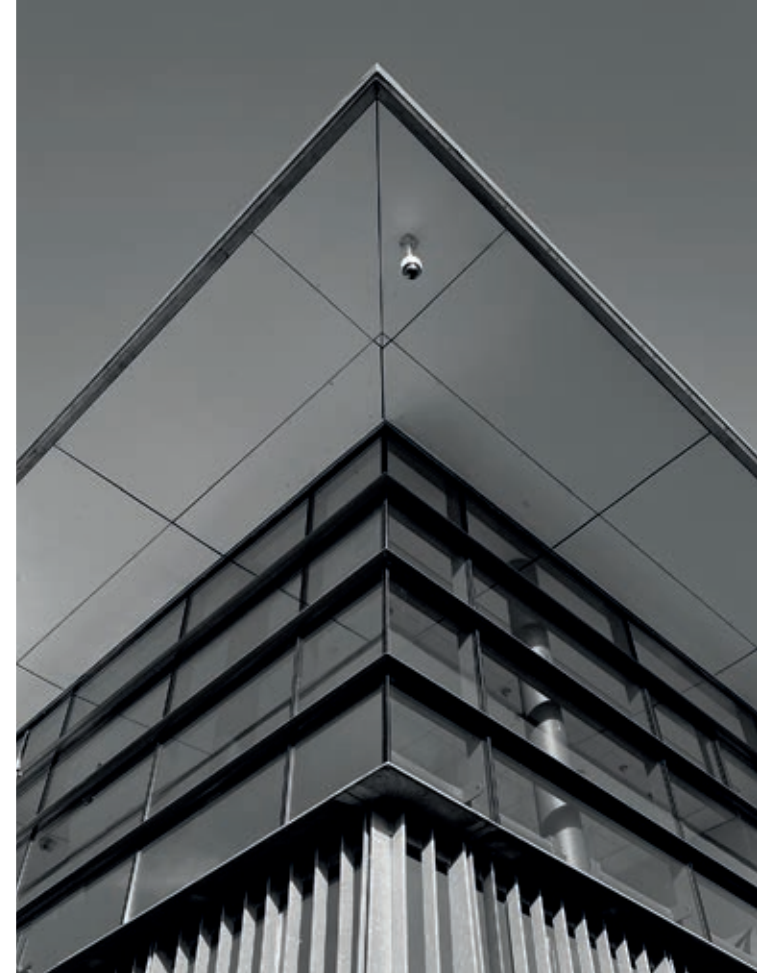
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	2020 £	2019 £
TURNOVER		
INCOME FROM LETTING ACTIVITIES	12,216,672	11,870,347
OTHER INCOME	272,470	298,828
PENSION	–	–
	12,489,142	12,169,175
EXPENDITURE		
DIRECT PROPERTY MANAGEMENT COSTS	6,571,099	6,402,259
OPERATING COSTS ON OTHER ACTIVITIES	440,991	416,944
ADMINISTRATION COSTS	2,954,088	2,686,097
(LOSS) / GAIN ON DISPOSAL OF PROPERTY, PLANT & EQUIPMENT	27,119	10,102
	9,993,297	9,515,402
INTEREST RECEIVED	69,627	32,469
INTEREST PAID	(930,630)	(1,031,322)
SURPLUS FOR THE YEAR	1,634,842	1,654,920
ACTUARIAL (LOSS) ON PENSION SCHEME	434,000	(292,000)
TOTAL RECOGNISED SURPLUS FOR THE YEAR	2,068,842	1,362,920



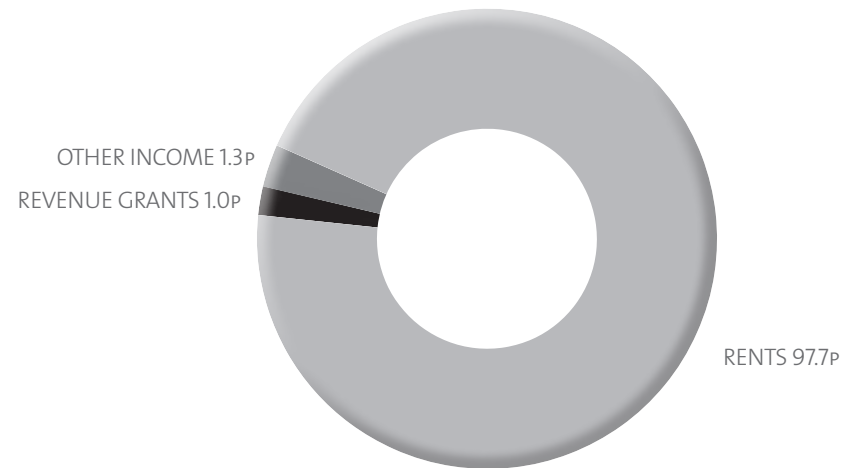
STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

	2020 £	2019 £
FIXED ASSETS	67,401,839	67,312,962
DEBTORS	426,330	479,549
BANK BALANCE	12,748,352	9,025,410
CREDITORS	(31,404,872)	(29,522,771)
CREDITORS/DEFERRED INCOME - GRANTS	(26,711,323)	(26,322,670)
PENSION LIABILITY	(198,000)	(779,000)
NET ASSETS	22,262,326	20,193,480
SHARE CAPITAL	99	95
INCOME AND EXPENDITURE RESERVE	22,262,227	20,193,385
	22,262,326	20,193,480

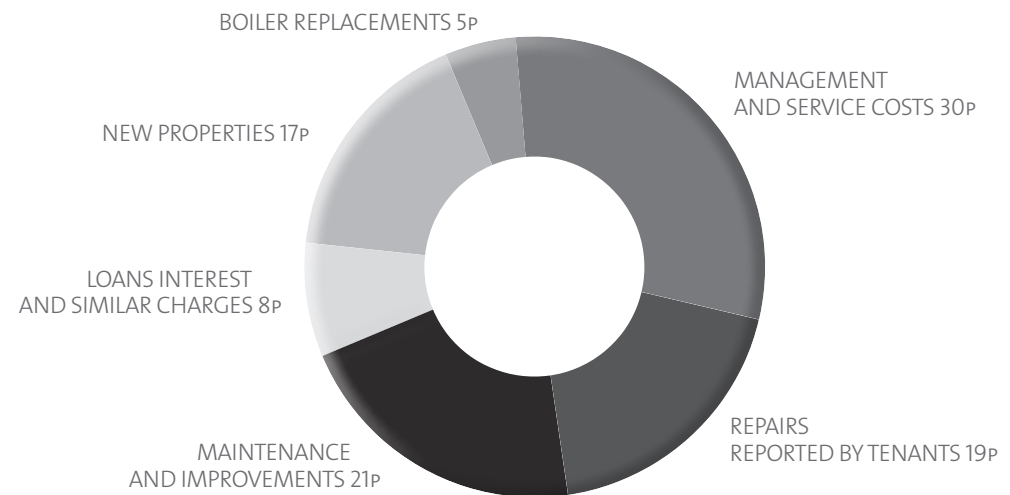




£ OF INCOME RECEIVED



£ OF SPEND





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