



Great homes.
Great services.
Great people.

Annual Report 2015



Welcome to Cairn's Annual Report.



Our Vision

Great homes. Great services. Great people.



We remain focussed on our commitment to modernise and invest where required. We'll continue to build a resilient and successful organisation and operate the business in the long term interests of our customers throughout Scotland. The Board and management team are confident about the future and are focussed on our new vision.

Ken Ward
Chairperson

Jason MacGilp
Chief Executive

The focus this year has been on driving up standards in customer service, core business performance and effective use of our resources to ensure we are fit for the future.

- ▲ Our new vision, mission and values are guiding the association for the future. This includes targeted investment this year of £3.5m to improve the quality of our customers' homes and we have refinanced to enable a further £13m to be invested in our homes over the next two years.

- ▲ Our Customer Panel has done great work carrying out its second scrutiny exercise, looking at the customer experience through the voids process, which has led to a number of improvements.

- ▲ Staff have worked extremely hard during the year and our contact centre is having a very positive impact on customer service standards.

- ▲ Our new office in Belshill now provides services throughout customers in central and southern Scotland, providing an improved and modern working environment for staff.

- ▲ HomeWorks, our in-house maintenance service in the north, has had another successful year, reducing costs and increasing performance and satisfaction levels.

- ▲ A notable success was the transfer of our very sheltered schemes in Edinburgh to a new provider to ensure their future provision. We also redesignated our sheltered housing to a retirement service model, with housing support provided by partner organisations where needed.

- ▲ Our thanks also go to the Board for their commitment and strategic decisions to help make us resilient for the future. A special thank you to Tom Hainey and Susan Groat who stepped down from the Board during the year.

Our values



Our customer comes first and we will always aim to achieve high quality outcomes for customers.



We work as one team and build excellent working relationships to achieve our goals.



We value excellence and quality and aim to achieve high standards in all we do. We always strive to be the best that we can be.



We value high standards of fairness, treating everyone with consideration and dignity. We show this through our everyday words and actions.



We are accountable for our actions and we take responsibility and ownership for outcomes.

Our mission

To provide quality affordable homes and services, with our communities and partners, throughout Scotland.

Active in the community

Supporting communities and improving lives

We recognise that housing associations have an important role to play in creating and sustaining great communities. We put a big emphasis on community development by prioritising 'active in the community' as one of our six strategic goals for 2014/15.

Our dedicated Community Development Officer has made significant progress in our approach and shaped a Community Development Strategy that is aligned with our vision and values.

The Cairn Community Fund has made a big impact in communities throughout the country. We have funded and supported projects ranging from an intergenerational photography project between Cairn tenants in retirement housing and local school children, to herb gardens and sensory gardening projects for older people.

Land owned by Cairn in Wick and Airdrie will be developed into allotments and community gardens by local residents' groups. We will provide practical and financial support to ensure these initiatives benefit our communities.

Our first SCVO Community Jobs Scotland trainee, Carolyn Cluness, began a six month role in our Communications and Engagement Team and we worked with Emily, Mary and Chloe through the Working Rite initiative. These opportunities will open the door to many more young people to develop their skills, confidence and employability with Cairn.



The Cairn Cup

We returned to Cradlehall Primary School for the Cairn Cup which saw over 300 children participate in our second annual football tournament and welcomed families to our first family fun day in Inverness.



Coatbridge

We held a very successful open day in Coatbridge to develop ideas for a community hub and plans are progressing well for the grand reopening of 'The Go Between'.



First class repairs

We understand the importance of providing an excellent repairs service which is why we are proud of the results we achieved for tenants in 2014/15.

This year we completed 9,645 repairs.

- ▲ 96.85% of our emergency repairs were completed within 24 hours.
- ▲ 96.04% of our non-emergency repairs were completed within target.
- ▲ 99.39% of appointments for repairs were kept, which is comfortably within the top 10 housing associations in Scotland.
- ▲ 96.16% of repairs were fixed at the first visit.
- ▲ We issue satisfaction surveys after each repair and recorded 98% overall satisfaction for our repairs service for the year.

“ I reported a repair on Friday lunchtime. Fixed by 4pm on the same day! Outstanding! ”

Mr Buick, Inverness

“ I can honestly say that the joiner and his apprentice were two of the nicest workmen I have ever had round to do repairs. Excellent. ”

Mrs Joyce, Airdrie

“ Your tradesman was friendly, professional, fast, thorough and very polite. A breath of fresh air. ”

Mr Lynn, Inverness



Huge new investment in our homes

Cairn spent £2.9m on planned maintenance works between April 2014 and March 2015. Some of the highlights included:

- ▲ New kitchens to over 200 homes in Inverness, Newcastleton, Airdrie, Motherwell and Edinburgh.
- ▲ Window and door replacements to 34 retirement homes in Carnoustie.
- ▲ Replacement communal boiler system at a retirement court in Paisley.
- ▲ Installation of a communal biomass boiler at a retirement court in Tain.
- ▲ Installation of air source heating systems to 12 homes in Newcastleton.
- ▲ Heating upgrades/gas installations to 6 off-gas homes in Inverness.
- ▲ Roof replacements and upgrades to 3 retirement courts at Peterhead, Bathgate and Edinburgh.
- ▲ Lift installations at 4 retirement courts in Bathgate, Rutherglen, Edinburgh, Stirling and Paisley.
- ▲ External wall installations to 60 homes in Peterhead and Thurso.
- ▲ Various cyclical works relating to health and safety matters including legionella prevention, monitoring of asbestos and gas safety.
- ▲ Cyclical external decoration to 500 homes.
- ▲ Compliance with the Scottish Housing Quality Standard.



Tenants at the heart of scrutinising services

Focusing on the quality of homes offered by Cairn

The Customer Panel continued to develop their role within Cairn and completed their second scrutiny project into the customer's experience from being offered a home to moving in.

After the success of their first scrutiny project into complaints, where we accepted and implemented all 25 of the panel's recommendations, the group shifted their focus to the quality of homes offered by Cairn and tenants' initial interactions with staff. As ever volunteers on the panel worked positively throughout a challenging project and committed a significant amount of their time to conducting a thorough inspection of the services we provide. The project included interviews with staff and tenants, and inspecting empty homes and our relet standard.

The Customer Panel also continued their own development with support from the Tenants Information Service and our Communications and Engagement Team. Panel members attended a number of workshops, events and conferences and contributed to the development of our new vision and values. Members of the Customer Panel have joined our new Learning from Complaints Group, attended Board meetings and a meeting on our priority projects. The panel accepted an invitation to visit Hillcrest Housing Association in Dundee to meet with their tenant inspectors and will look for other opportunities to develop their network and contacts in the housing sector.

It was with great sadness that panel members and Cairn staff said goodbye to Robert Girdwood and John Hume who passed away this year. Robert and John were both popular and conscientious members of the Customer Panel who will be sorely missed by their colleagues and friends.



Ringling the changes on great customer service

In October we revolutionised our approach to customer services with the launch of our new customer contact centre.

All calls to Cairn are now handled centrally in our head office in Edinburgh where we have implemented new call management technology and a customer relationship management system. Between the launch of the service at the end of October 2014 and the end of March 2015 our team had taken 32,565 calls, with an average of 326 a day.

The focus of the new service has been on the customer experience and reducing the effort needed to access our services. Our dedicated contact centre team are trained to provide a friendly and personal service which has been well received by our customers.

Initial feedback from satisfaction surveys to tenants and residents who have contacted the contact centre has been extremely positive. In surveys asking for views on the quality of service the team received an average score of 9.26 out of 10.

“ A vast improvement on previous arrangements. Staff are friendly, knowledgeable and patient. ”

Mr Barr, Inverness

“ We are very happy with the service. Amazing customer service and quick solution of any problem. We never had any problems at all. ”

Mrs Ritchie, Rutherglen



Welfare benefits and money advice service



This year the service supported 295 individuals with advice and practical support.

Cairn has a dedicated welfare benefits and money advice service to provide all customers with benefits advice and assistance with claims.

Our Benefits Advisor provided direct assistance with 264 benefits claims, with a total financial gain to customers of £310,337.82. Gains were made in housing costs (including Discretionary Housing Payments and Housing Benefit), debt reductions, benefit claims, Scottish Welfare Fund and energy grants.

Following an awareness campaign over social media, newsletters, flyers distributed with rent statements and events at retirement courts, there were 119 additional claims made for Warm Home Discounts. Pictured are tenants at Adam Grossert Court in Stenhousemuir who were supported with claims for the Warm Home Discount.

Our people

Our programme for continuous improvement



Our key development themes for the People Strategy in 2014/15 were:

- ▲ Employee wellbeing and engagement
- ▲ Recruitment and retention
- ▲ Learning and development

Our improvement journey continues through our 'A Better Cairn' programme, which aims to achieve a better Cairn for our customers, our communities, our staff and our partners. At the heart of this is our People Strategy which focuses specifically on our plans for delivering organisational improvements which will have a direct and positive impact on our staff engagement, wellbeing and performance.

The job evaluation project has enabled us to complete a major review of every aspect of our pay and rewards processes including all job descriptions, our pay scales and how we compare with others in our sector. As a result of this exercise Cairn have applied top quartile pay scales, will introduce the Scottish Living Wage for all staff and have harmonised sick pay as an entitlement for all employees.

Staff from across all areas of the country engaged in interactive workshops to develop our new vision and

values. This enabled us to hear first hand the values and behaviours which our staff feel are most important to them. These sessions provided the foundation for a new set of values which are now a central, guiding element of our recruitment, performance management and staff development procedures.

Finally, with a keen focus on developing our leadership and management capability this year, our Senior Management Team have completed a 'Great Leaders' training programme and we have completed certification and roll-out of the '4 Disciplines of Execution' methodology. The impact of the latter on our voids performance, our 'Wildly Important Goal', has been astounding and gives us great confidence when considering our next priorities for applying this approach.

Planning for the future

Great homes. Great services. Great people.

The three pillars of our work in 2015/16 will be our Asset Management Strategy, our Customer Excellence Strategy and our People Strategy. Delivering these, together with a robust financial strategy, will be our focus to achieve our new vision.

Great homes

Increase stock investment and improve the quality of our homes

- ▲ Target investment of at least £6m in planned improvements to our homes across Scotland.
- ▲ Develop and embed an integrated stock condition and asset management solution that ensures our future investment plans are targeted and achieve value for money.
- ▲ Develop and implement an updated Asset Management Strategy.
- ▲ Improve customer satisfaction with the quality of our existing homes to at least 88%.

Great services

Reduce customer effort, increase satisfaction and deliver value for money

- ▲ Launch a new website offering self service options to our customers.
- ▲ Develop opportunities to widen access to our services. This will include working in partnership with other agencies and consulting with customers on their preferred opening times.
- ▲ Continue to develop our new contact centre and central systems to transform the way we deliver our services. This will include a pilot of a mobile working solution that will enable operational staff to be more effective and efficient when they are out of the office.
- ▲ Improve overall customer satisfaction with our services to at least 90%.

Great people

Engage our people and maximise their potential to deliver great services

- ▲ Develop and implement an organisation wide people performance management system. This will include the development of a competency framework which is aligned with our vision & values.
- ▲ Develop an effective approach to learning and development to ensure we have well trained customer focussed staff who can demonstrate our values.
- ▲ Implement a staff reward and recognition scheme.
- ▲ Improve our overall Best Companies staff engagement score.

Our performance

The results

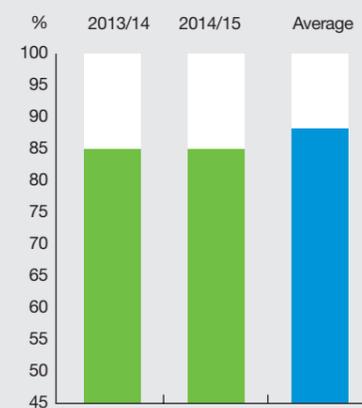
We want our services to be excellent and we'll only achieve this if we set ourselves high standards and compare ourselves against the best. We're proud of what our team has achieved this year and we're well on our way to 'A Better Cairn'.

■ Our performance
■ Scottish average of our peer group from data collected by the Scottish Housing Best Value Network 2014/15.

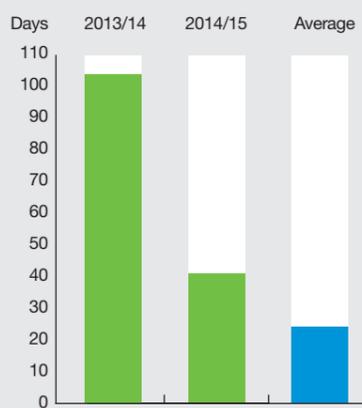
Income collected



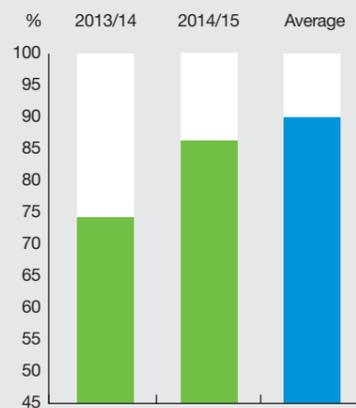
Overall customer satisfaction



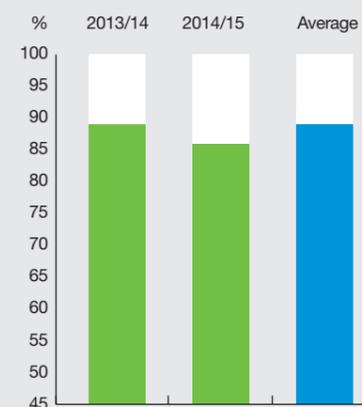
Time to let new properties



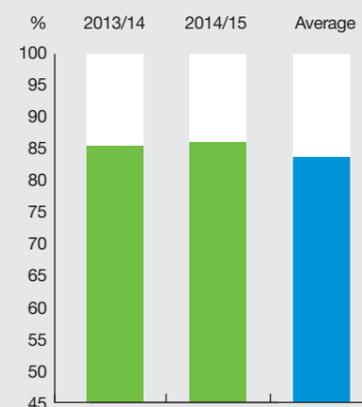
% of new tenancies sustained



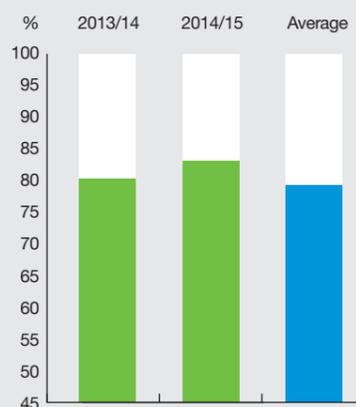
% of tenants satisfied with repairs and maintenance



% of tenants satisfied with the quality of their home



% of tenants satisfied with value for money



Balance Sheet as at 31 March 2015

Assets less Liabilities	2015 £	2014 £
Housing properties at cost less depreciation	162,273,155	162,886,821
Less HAG and other grants	106,587,107	107,102,446
	55,686,048	55,784,375
Investment properties	5,391,380	5,391,380
Other fixed assets	1,277,265	1,161,806
Investments	1	2
	62,354,694	62,337,563
Net Current Assets	18,535	1,534,587
Long term liabilities	40,245,399	42,471,414
	22,127,830	21,400,736
Capital Reserves		
Share Capital	96	154
Revenue Reserves	20,157,786	19,603,186
Restricted reserves	367,058	370,276
Revaluation reserves	1,482,208	1,482,208
	22,127,830	21,400,736

Income and Expenditure Account for the year ended 31 March 2015

Income	2015 £	2014 £
Turnover – continued operations	16,938,480	15,609,529
Turnover – discontinued operations	215,081	490,849
Interest Receivable	11,334	83,518
Gain on Sale	219,298	452,892
	17,384,193	16,636,788
Expenditure		
Operating costs – Continued Operations	14,556,894	14,139,682
Operating costs – Discontinued Operations	236,147	452,469
Interest payable	1,437,295	1,516,162
	16,657,041	16,108,313
Total surplus for year	727,152	528,475
Prior year adjustment	1,268,921	-
Total recognised gains and losses relating to the year	1,996,073	528,475

Full audited accounts for the year to 31 March 2015 are available from:

The Company Secretary, Cairn Housing Association, Citypoint, 65 Haymarket Terrace, Edinburgh EH12 5HD



Board of Management

Ken Ward, Chairperson
 Simon Guest, Vice Chairperson
 Michael Allan
 Alice Belcher
 Euan Bell-Scott
 Greg Colgan
 Bill Gillespie
 Don Jamieson
 David Venters
 Gill Walch
 John Woods

Susan Groat (resigned April 2015)
 Tom Hainey (resigned August 2014)

Chief Executive and Secretary

Jason MacGilp, FCIH

Staff

248 (191 full time equivalents)

Auditors

Scott Moncrieff, CA (Internal)

Solicitors

Blair Cadell
 TC Young
 Shoosmiths

Bankers

Royal Bank of Scotland plc

Other Lenders

Santander Corporate Banking
 Nationwide Building Society



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Committed to excellence

The information contained in this Annual Report can also be made available, on request, in other languages or formats such as Braille or large print.

Friendly Society Registration No. 2335R(S), The Scottish Housing Regulator Registration No. 218, a registered Scottish Charity No. SCO16647, Property Factor Reg No. PF000292



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