

cairn

25 years

Celebrating Cairn's
25th anniversary



**ANNUAL
PERFORMANCE
REPORT 2016**

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INTRODUCTION



Ken Ward,
Chair



Jason MacGilp,
Chief Executive

It is a pleasure to present our Annual Report and Accounts for the year 2015/16 in this, our twenty fifth year.

The report also includes our Annual Report to the Scottish Social Housing Charter. This sets out our performance and service delivery against the national Charter indicators and we have set out in this report some of the great work that has been achieved by the team over the last year.

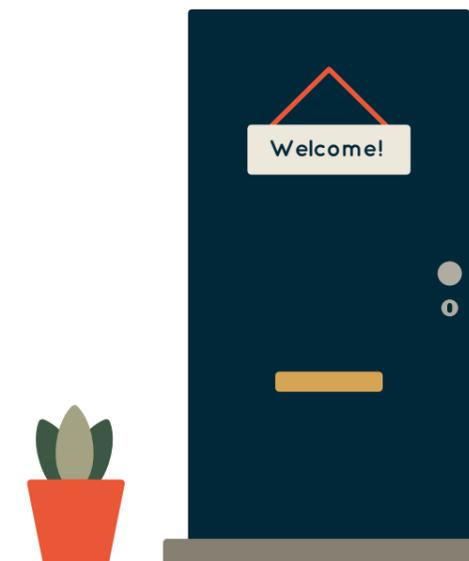
Customers come first at Cairn and it has been another year of real progress in service standards, business performance and investment in customers' homes, including a record amount of planned maintenance investment.

We have exciting plans ahead for the Association and working in partnership with many organisations in local communities across Scotland are determined to continue to achieve our vision of providing great homes and great services, with great people.

We hope you enjoy reading about Cairn's work and our team looks forward to another successful year.

**Ken Ward, Chair & Jason MacGilp,
Chief Executive**

On a personal note, Ken Ward is standing down from the Board after 10 years of dedicated service. Ken has been instrumental in steering Cairn through many challenges and changes over the years and achieving the good standing the Association has today. The management team, staff and the whole Board of Cairn wishes Ken very best wishes for the future and sincere thanks for all that he done for Cairn and our tenants.



BIG ACHIEVEMENTS



87.4% Tenants satisfied with the overall service



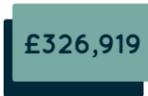
90.1% Tenants satisfied with the quality of their home



10,603 Repairs completed



3.89 hours Average length of time taken to complete emergency repairs



£326,919 Additional income for customers after support from our Benefits Advisor



20 days Average number of days taken to re-let properties



£5.7m Spent on planned maintenance works



367 New kitchens installed



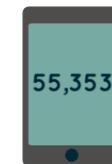
228 New bathrooms installed



3,686 hours Of paid work placements provided to young people and people with disabilities



292 Works projects completed by the Care and Repair team



55,353 Calls to our contact centre



5,648 Number of website views in 8 months since website went live



355 Self service portal registrations



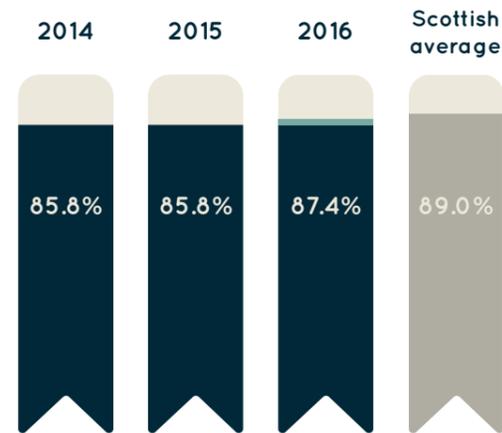
15 Community projects supported through the Cairn Community Fund

CAIRN IN A NUTSHELL

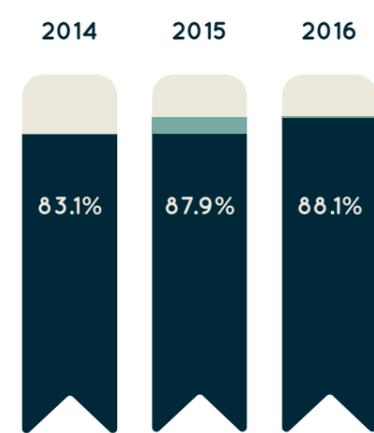
Cairn is one of Scotland's largest providers of affordable rented housing, serving communities across the whole of Scotland for over 25 years. We are a non-profit making registered Scottish charity with over 3,300 homes in management (including home owners receiving our Property Management Service), from Caithness in the north Highlands to Eyemouth in the Scottish Borders.

Our team is dedicated to providing great homes and services to our tenants and other customers.

Tenants satisfied with the overall service



Percentage of tenants who feel Cairn is an improving organisation



Average weekly rent

Cairn *
Scottish average

Home size	Average weekly rent
Studio	£77.60 £65.94
One bedroom	£79.17 £70.39
Two bedroom	£78.62 £71.55
Three bedroom	£85.94 £77.60
Four bedroom +	£94.93 £85.98

Cairn homes

Home size	Number of homes
Studio	406
One bedroom	921
Two bedroom	1006
Three bedroom	748
Four bedroom +	70
Total number of households	3151

*Cairn average rents incorporate service charges which are higher for our retirement courts due to the nature of the services provided.

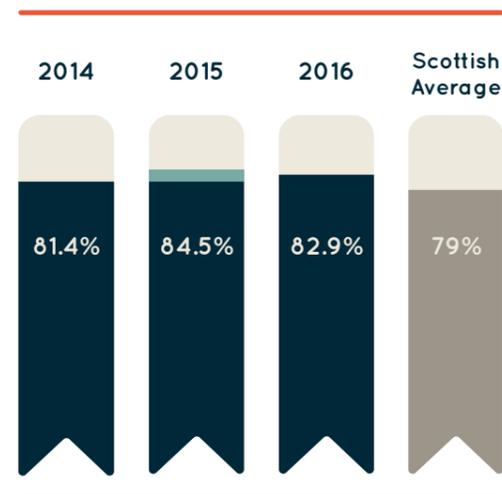


Good value for rents and service charges

Percentage of rent loss through properties being empty in the last year



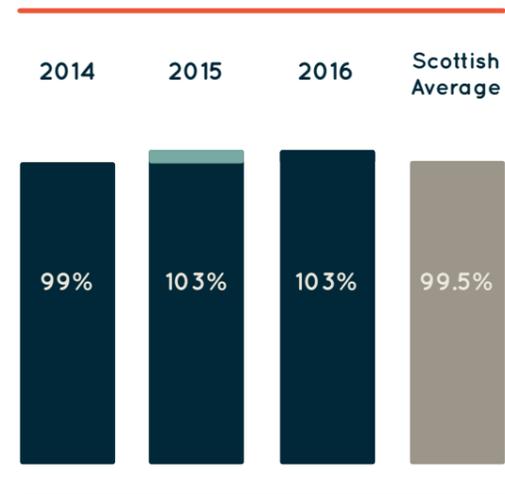
Percentage of tenants satisfied with value for money



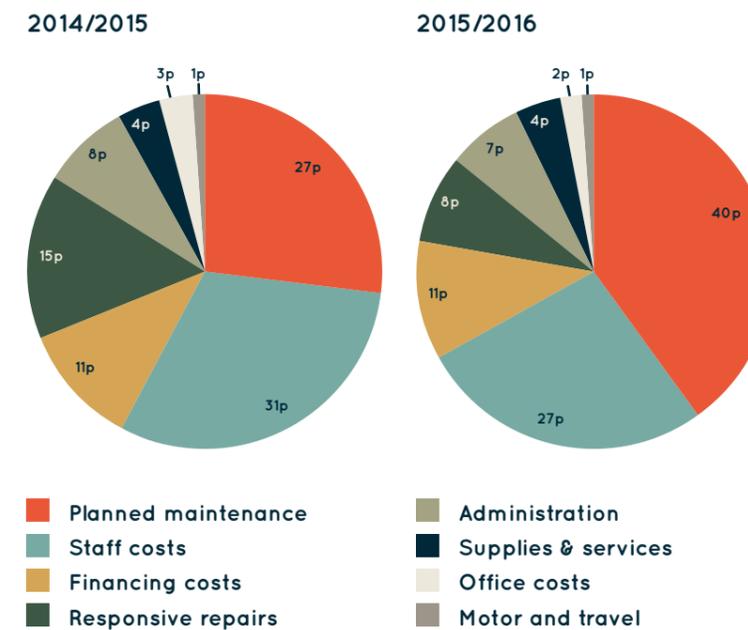
- 273 homes became available to rent this year
- £13,159,614 rent was due
- We applied a 3% rent increase on the 1st of April 2015
- Our average weekly rent is £80.75
- 3,151 households across Scotland are managed by Cairn

We have maintained excellent performance in rent collection. This performance enables us to invest in services to customers and reflects the great work we've managed to achieve in working with customers to maximise their income.

Rent collected from tenants as a percentage of total rent due



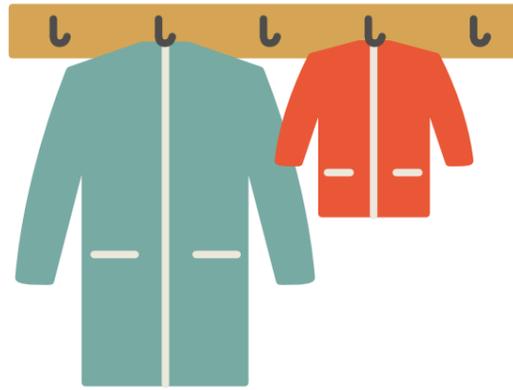
How a pound of rent is spent



"This year we spent the biggest slice of our income on improvements to our homes. We've got loads more to do but tenants are really starting to see the impact of that investment"

Derek Adam,
Director of Resources

OUR VISION



Our vision and values reflect who we are:

OUR VISION

Great homes. Great services. Great people.

OUR MISSION

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

OUR VALUES

Customer First

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

One Team

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

Excellence

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.

Respect

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

Accountability

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



GREAT HOMES

Our team have continued to provide an excellent responsive repairs service and planned improvements to our homes.

We have improved our approach to managing the condition of our properties, with new technology in place to collect information about the condition of our homes and analyse it to help identify where investment is most required.

We've built a small number of new homes in Inverness and plan to increase our development of new build properties to at least 40 new homes a year from 2018.

“The significant increase in planned investment of £16m over three years, combined with the continuing improvement to our repairs service, has raised tenant satisfaction with the quality of their homes to a fantastic 90%”

*Walter Clarkson,
Head of Property Services*

Highlights from our planned maintenance programme

Our Investment Team had a successful year of delivering essential upgrades and improvements to tenants' homes. This year Cairn spent £5.7m on planned maintenance works, which is almost double the £2.9m in 2014-15. Some of the highlights included:

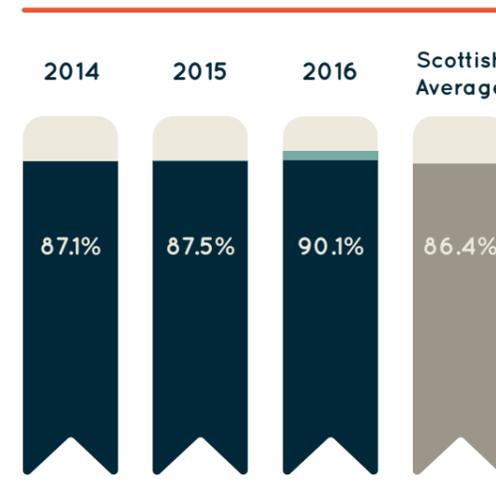
- **367 new kitchens for homes in Dundee, Stirling, Scottish Borders, Falkirk, Carnoustie, Blantyre, Campbeltown, Inverness, Wick and Tain**
- **228 new bathrooms for homes in Edinburgh, Broughty Ferry, Stirling and Inverness**
- **New gas central heating systems and kitchens for homes in East Whitburn, Kirkcaldy and Inverness**
- **New central heating air source heat pump installations in Ullapool**
- **Replacement communal boiler systems for retirement housing developments in Rosyth and Carnoustie**
- **A roof upgrade in Sanquhar**
- **Upgrades to communal lighting in Peterhead and Paisley**
- **Various works relating to health and safety matters including legionella prevention, monitoring of asbestos and gas safety**



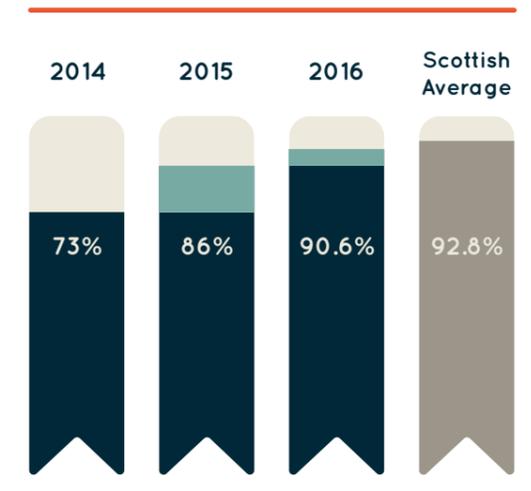
“The bathroom is so easy to clean now and it looks like a little hotel bathroom, I think they have made a lovely job of them.”

*Ms Brown,
Inverness*

Tenants satisfied with the quality of their home



Homes meeting the Scottish Housing Quality Standard (SHQS)



A focus on repairs

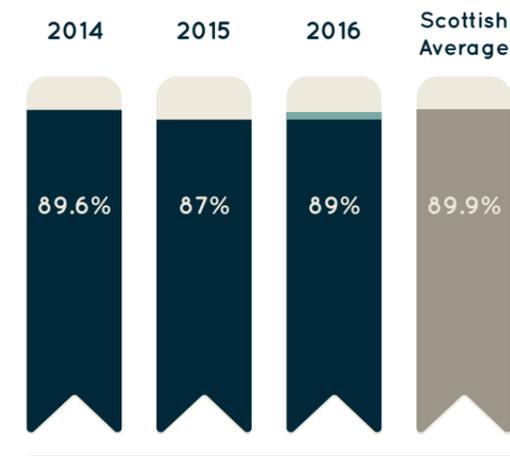
“Our repairs service has achieved consistently high satisfaction scores from customers. We’ve seen improvements across our service, particularly in the time we take to complete emergency repairs and the number of repairs which are completed during the first visit. We think we can get even better and we’re always looking for ways to improve.”

David Cargill,
Responsive Repairs Coordinator

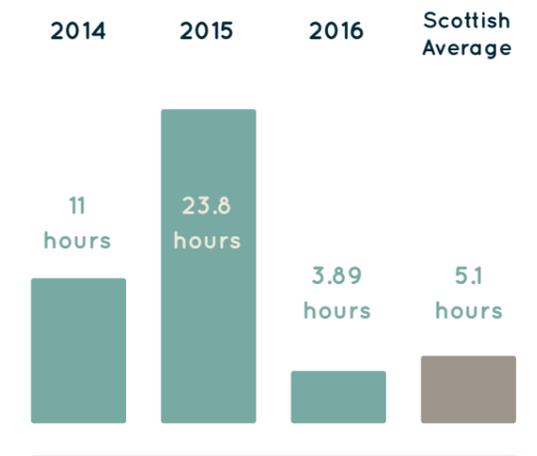
- HomeWorks, our in-house repairs service in the Highlands and our partnership with Rodgers & Johnston in the rest of Scotland, had another year of improved performance and high levels of customer satisfaction
- We completed 10,603 repairs
- This averages 3.17 repairs per occupied property.



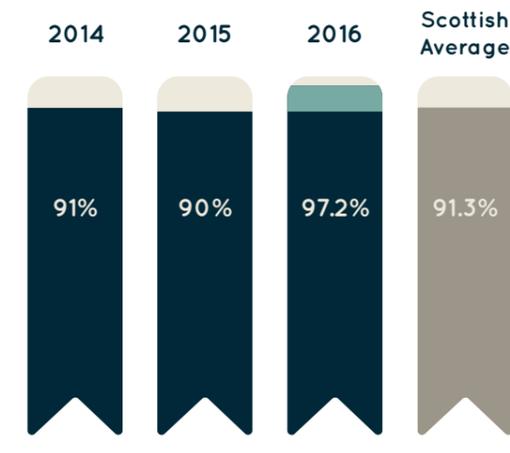
Tenants who have had repairs and maintenance carried out in the last 12 months satisfied with the service



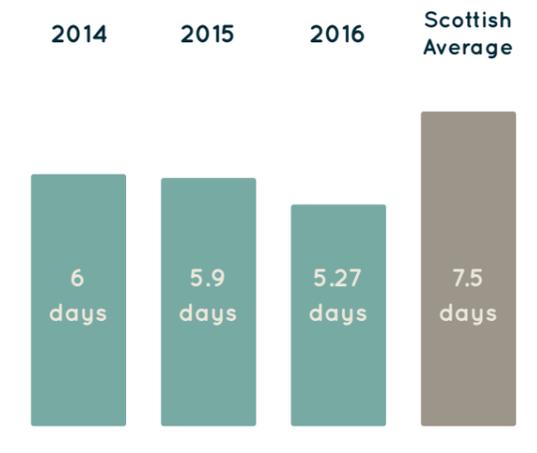
Average length of time taken to complete emergency repairs



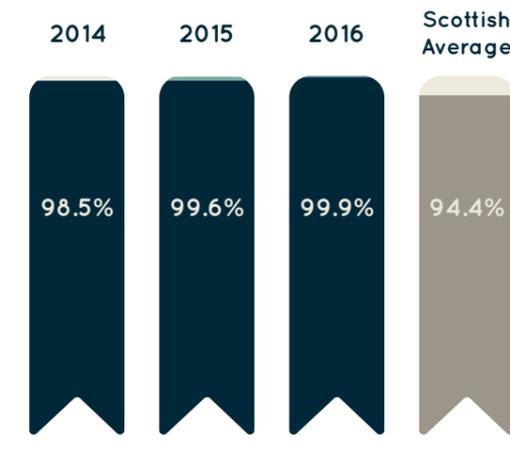
Repairs carried out in the last year completed right first time



Average length of time taken to complete non-emergency repairs



Repairs appointments kept



“As usual the work was done quickly and efficiently. The workman explained what had gone wrong and fixed it.”

Ms Tinsley,
East Kilbride

Our neighbourhoods

“It’s great to see some steady increases in satisfaction with our neighbourhoods but we think there is more we can do. We want to improve our approaches to mobile working, estate management and community development.”

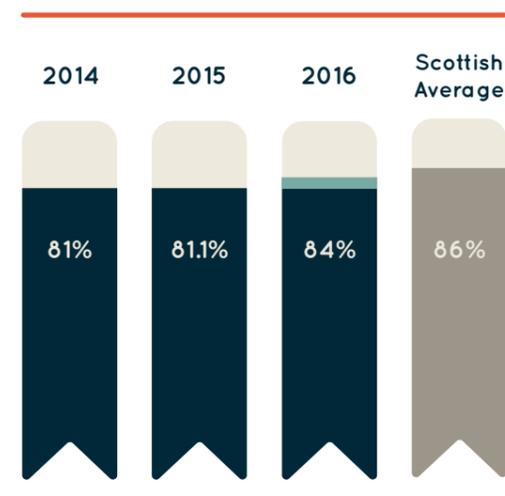
John Davidson,
Director of Customer Services



Satisfaction with neighbourhoods overall as a place to live



Satisfaction with Cairn’s management of neighbourhoods



A great year for the Care and Repair team

Our Care and Repair service is funded through the Highland Council and provides support to homeowners and private tenants aged 65 and over, or for anyone with a disability, to continue to live in the safety and comfort of their own homes. We provide advice and assistance in applying for local authority grants for housing repairs and improvements or adaptations. We completed 256 major

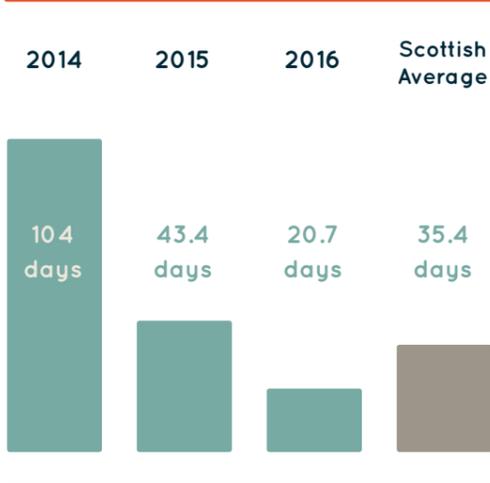
works projects in the last year, varying from level access showers to stairlifts. Our Handyperson Service is also funded through the Highland Council and assists older people and disabled people with minor repairs such as removing trip hazards, changing lightbulbs or adding grab rails. This year we received over £1.2m in grants, providing 555 clients with guidance and advice and completing 292 projects.

GREAT SERVICES

Our Wildly Important Goal

We have achieved fantastic results for managing change and improvement by focusing on one particularly important area of our work. Our senior managers collectively agreed on our 'Wildly Important Goal' which would be the one thing which, if effectively delivered, would make a significant difference to our performance. The team agreed that our Wildly Important Goal would be to improve our time to re-let homes and since 2014 we've seen a remarkable transformation take place, resulting in a level of collective drive and enthusiasm which succeeded in reducing our average days to let empty homes from 104 to 20.

Average number of days taken to re-let properties



Another great result for the Customer Panel

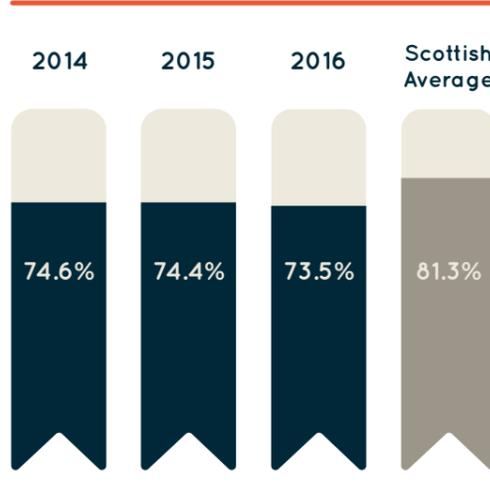
Our Customer Panel are a team of committed volunteers who work in partnership with Cairn staff to scrutinise the quality of our services and make specific recommendations for improvements. This year the Customer Panel completed a detailed scrutiny project into the customer experience of moving into a new home. In their final report they made 35 recommendations for how we can improve, 33 of which were accepted in full by Cairn. Those recommendations included:

- A review of our letting standard
- Thoroughly cleaning properties before new tenants move in
- Providing Customer Services staff with protective equipment for entering hazardous empty properties
- Updating our sign-up packs and the tenant handbook
- Improving our approach to settling in visits which would be offered to all tenants
- Improvements to the information provided on our website

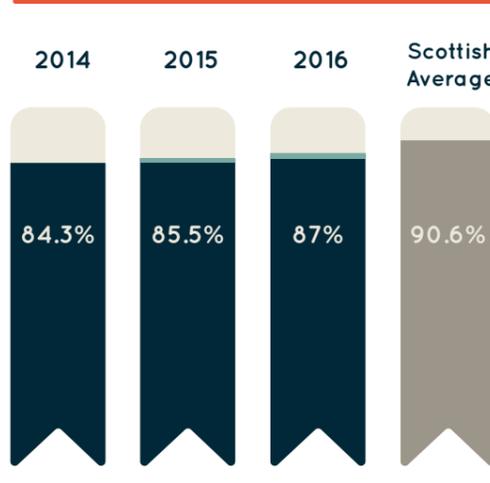
To support the panel in developing their role within Cairn we have invested in their training. Panel members have attended conferences and benefited from a study visit to the award winning NETRALT (North East Tenants, Residents and Landlords Together) which was hosted by Aberdeen City Council.

The Customer Panel are now scrutinising the quality of communication from Cairn before and during planned maintenance projects.

Tenants who are satisfied with the opportunities given to them to participate in their landlords' decision making processes



Tenants who feel their landlord is good at keeping them informed about their services and decisions



Big boost for household incomes thanks to our Benefits Advisor service



“We’ve managed to help people receive benefits they didn’t realise they are entitled to. In some cases, particularly very low income homes, this has been lifechanging. It can make a huge difference.”

**Joe Eley,
Benefits Advisor**

Our Benefits Advisor has achieved some amazing results for customers who were not receiving their full benefit entitlement. In addition to targeting customers who have been affected by the impact of welfare reforms, we now also offer every new tenant a welfare benefits ‘health check’.

In 2015-16 our customers received an additional £326,919 because of the support received. This is made up of 45% from disability benefits which include Attendance Allowance and Personal Independence payments, 37% from means tested benefits such as Housing Benefit, Council Tax Reduction, Pension Credit and Income Support, 14% from sickness benefits including Employment Support Allowance. The remaining 4% were claims to Warm Homes Discount, Carers Allowance, Child Tax Credits and the Scottish Welfare Fund.

The Warm Homes Discount resulted in 64 successful claims, with their accounts or pre-payment cards being credited by up to £140. We also ran a campaign to promote awareness of Attendance Allowance which resulted in 24 successful claims with awards ranging from £55.10 per week to £82.30 per week. In many cases we have been able to identify other benefit entitlements such as Pension Credits and Housing Benefit to maximise tenants’ incomes.

Between June 2015 and March 2016 there were 483 customer contacts with 102 customer self-referrals made to this service, 131 from Cairn staff and four from local authority staff. 217 claims for benefit were made on behalf of customers.

First class service, I would have been lost without the help of both my housing officer and welfare rights officer as I didn’t know what I was entitled to.

**Ms Whyte,
Motherwell**



Benefit	Money to customers
Attendance Allowance	£96,319
Housing Benefit	£77,115
Employment Support Allowance	£47,414
Personal Independence Payments (Daily living)	£37,284
Pension Credits	£31,672
Personal Independence Payments (mobility)	£10,962
Warm Homes Discount	£9,240
Council Tax Reduction	£6,671
Income Support	£4,481
Carers Allowance	£3,229
Child Tax Credits	£2,133
Scottish Welfare Fund	£400
TOTAL	£326,920



Young people enjoying the Cairn Family Fun Day in Inverness

Active in the community

This year saw the launch of our first Community Development Strategy with a focus on six themes

- **Older people**
- **Tackling poverty**
- **Opportunities for employability, volunteering and training**
- **Strengthening communities**
- **The Cairn Community Fund**
- **Building our capacity**

Through our Community Development Strategy, we have benefited from £55,950 in grants or gifts in kind and, through support provided by our Community Development Officer, an additional £9,022 in gains to community groups we have worked with.

We have continued to support the Drumpellier Christian Fellowship as they develop our former offices in the Townhead community of Coatbridge into a vibrant community hub, affectionately known as the Go-Between. We worked together to organise a very successful event, with scores of children participating in face-painting, fuelling their imaginations at the creation station and getting up close and personal at the petting zoo.

We held our second Family Fun Day in Inverness with over 50 children, along with their parents, grandparents and Cairn staff, entertained by soft play, bouncy castle, laser tag, face painting and goodie bags. We also held our third annual football tournament with over 350 primary school children competing for the Cairn Cup.

Cairn Community Fund

The Cairn Community Fund has supported 15 projects in 2015/16 with grants totalling £19,300. Projects supported were:

- Devlin Court Herb Garden
- The Cairn Cup in partnership with Cradlehall Primary School Football Club in Inverness
- Wick Allotments
- Lambhill Stables Project for canoeing, fishing and cycling
- Gilmour Court Art Project
- Calum Macdonald Court Steps Back in Time
- Glentanar Court Fit for Life
- St Ambrose High School Garden Project
- Drumchapel Women's Aid Mosaic Workshops
- Edinburgh and Lothian's Greenspace Trust Rooftop Garden Project
- Wing Tsjun Martial Arts Group in Inverness
- Fife Shopping and Support Services



One of the projects we've supported recently has been Dress for Success, a charity that helps women in our communities with clothes for job interviews



Using customer feedback to learn and improve



We know that if we want to improve we need to understand where we perform well and where we can continue to improve. We now send out mini surveys for all our services. Surveying helps us to better understand the quality of our services. Any customer who gives us a low score receives a phone call to ask what went wrong and where we can improve. Alongside these mini surveys is our annual customer satisfaction survey, which is used for strategic planning and informs our annual report to the Scottish Social Housing Charter. Through these surveys we are building a detailed picture of the quality of our services and views of our tenants.

We received 1,135 surveys back from customers about various services provided by Cairn with an overall average score of 9.13 out of 10.

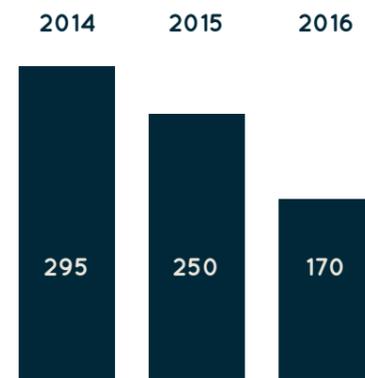
Following the Customer Panel's scrutiny into the quality of our complaints handling we introduced our Learning from Complaints Group. The group includes panel members and staff and meets regularly to review our response to complaints, including opportunities for learning and changes to services.

Information and feedback from customers is vital, whether that is through tenant participation events, complaints or satisfaction surveys.

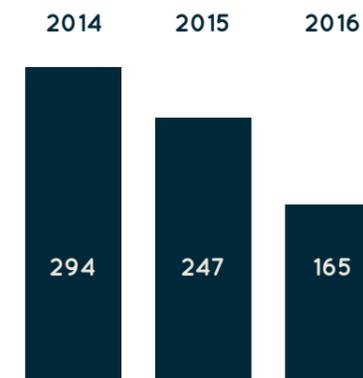
"Cairn has changed a great deal in the last few years and a big part of that has been understanding when we're getting things right and when we have to do more. Nothing will help us improve more than listening to our customers."

John Davidson,
Director of Customer Services

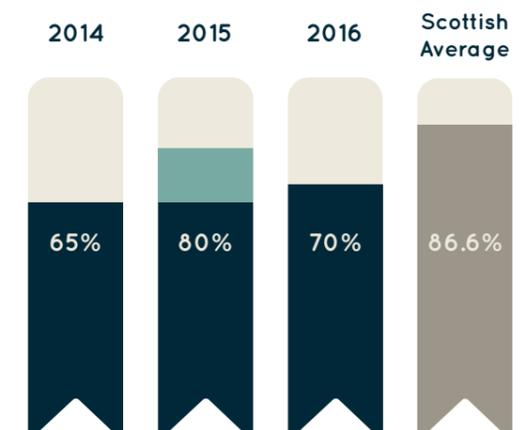
Number of cases of antisocial behaviour reported



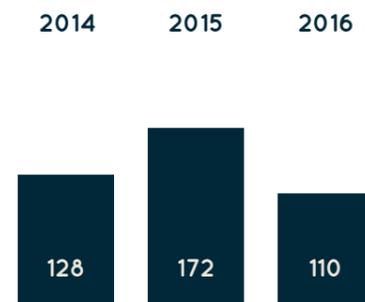
Number of antisocial behaviour cases resolved



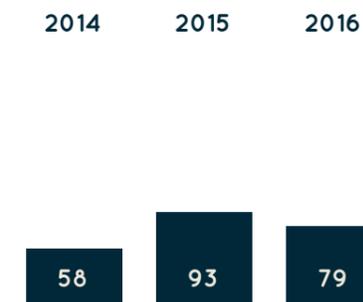
Percentage of antisocial behaviour cases resolved on target



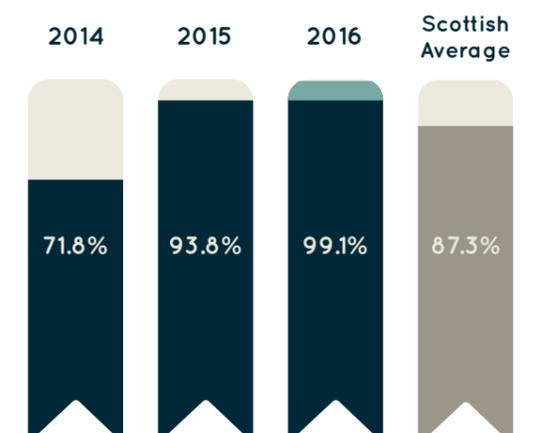
Number of complaints received in the reporting year



Complaints upheld by Cairn



Percentage of complaints responded to in full within target timescale



Cairn Connect

“Our contact centre, Cairn Connect, has revolutionised our approach to customer service. Our aim is that our customers can contact us in whatever way is most convenient to them and to have their enquiry or service request sorted out with the minimum of effort on their part.”

Fin Smith,
Head of Business Improvement

Our contact centre launched in October 2014 and has had a huge impact on our approach to customer services. All phone calls, emails and webchats are now handled centrally by our Cairn Connect team in Edinburgh. This year the team received 53,353 calls and 10,761 emails. Since our new website launched in early 2016 our team had 313 online chats and 355 tenants registered to use our My Cairn self-service portal. Our team has been focused on improving the experience of contacting Cairn and, by channelling enquiries into the Contact Centre team, we can enable our local staff to spend more time out and about in our communities.

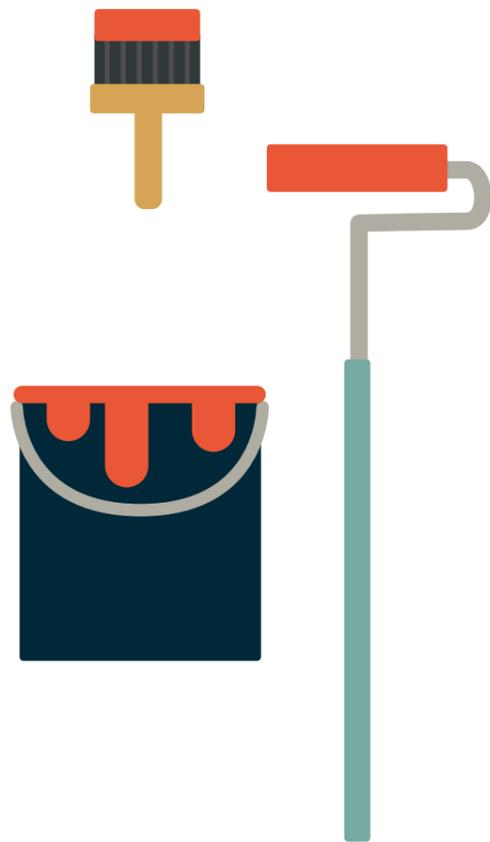
Transfer of Care Homes

Last year we transferred our two care homes in Edinburgh to a private healthcare provider, safeguarding homes for 38 residents and 40 jobs. Following an extensive period of consultation with residents, families and staff, we were determined to ensure that the homes continue to provide a high level of personal care to residents. The new provider, Lindemann Healthcare, are a highly regarded care home provider who have been awarded with consistently good ratings from the Care Inspectorate. Cairn continues to manage an extra care scheme in Edinburgh at Madelvic Square.



“Cairn you are outstanding, from the very first time I called the contact centre you have been so helpful, understanding and nothing is a bother. Thanks.”

Ms Oag,
Dingwall



A new look and a new website

On our 25th birthday as an independent Scottish housing association it was time to refresh our branding, logo and update our website to give it a brighter and more modern design. Most importantly it's not change for the sake of change. Our new website provides features and services which are genuinely useful to current tenants, other customers and prospective tenants. We know that more and more people are connected to the internet, whether at home or through their mobile phones, and our next big new step into the digital age means that our customers can now contact us in more ways which are most convenient to them.

Some of the big new features of our new website are:

- **Webchat to instant message our contact centre team**
- **An online calendar of future events**
- **A responsive design so it looks just as great on mobile devices and tablets**
- **The ability to view the homes we have available now and complete a housing application form online**
- **In an innovative new feature our homes are also automatically uploaded to lettings websites**
- **Better information for people applying to join our team, including an online employment application form**
- **Information about the Cairn Community Fund**
- **News which also pulls in live feeds from our Twitter and Facebook accounts**
- **The My Cairn Self Service Portal which allows our customers to create accounts and access services such as repairs requests, rent balances, complaints and antisocial behaviour reports**



“Our new site had 5,648 visitors in the first 8 months after launch, which is up 24% on the previous 8 months. We’re also seeing a huge increase in the number of visitors to our website via social media. The way we can promote our empty homes to prospective new tenants is much better and we’re really pleased that over 10% of customers are using My Cairn. For a national housing association it’s really important we use modern technology to connect with people and we’ve taken a big step into the future”

Neil Golightly,
Business Improvement Manager

GREAT PEOPLE

“We want Cairn staff to feel proud of their achievements and to recognise their personal contribution to our collective success. We believe that by supporting our staff to fulfil their potential and work as one team, we can deliver excellent services to our customers.”

Jo Tolland,
Head of Organisational Development

Our key development themes for the People Strategy in 2015/16 were:

- **Working In Partnership**
- **Learning & Development**
- **Managing People & Performance**

Our People Strategy is at the heart of Cairn and we're focused on improvements that we believe will have a direct and positive impact on staff engagement, wellbeing and performance.

The aim of the People Strategy is to enable Cairn staff to fulfil their potential and contribute to the delivery of excellent services to our customers.

We were awarded the prestigious Chartered Institute of Housing Award for Innovative Learning and Development. We received this award for our application of the Franklin Covey '4DX' and 'Great Leaders' programmes.

We have continued to develop our leadership and management skills through 'Personal Impact & Productivity' training delivered by Franklin Covey and a series of 'People Fundamentals' sessions delivered through the Chartered Institute of Personnel and Development.

To support high quality performance conversations, we launched our new Personal Performance & Development (PPD) process this spring. This brings together Personal Goals,

Values and Training Plans for all staff and will help us to support staff in their achievement of our most important goals.

Last year we defined our new vision and values after a series of workshops with staff. This year we brought colleagues together again to ask 'What does great look like' when demonstrating our values? The response was tremendous and the themes that emerged from these sessions are now central to our framework for managing

high performance and continuous improvement.

In our HR Team, we have introduced 'Partnership Working' across the organisation. This approach has been designed to provide support to our teams and colleagues to enable them to produce the fantastic results that can be seen in this year's report.



Members of the Cairn Human Resources Team

A place to learn and grow

We had four trainee opportunities this year for young people with Lynsay, Julie, Logan and Beckie gaining valuable paid work experience in our offices. We also provided a work placement through the Disability & Equality Internship Programme with Alex completing an options appraisal of social enterprise ideas.

Our trainee programme has brought over £34,000 of funding into the organisation with the trainees benefiting from new skills, a combined 3,868 hours of valuable work experience and training worth a total of £7,500 plus an additional six-day personal development course for one trainee to enable her to take part in an overseas volunteering expedition with STAND International.

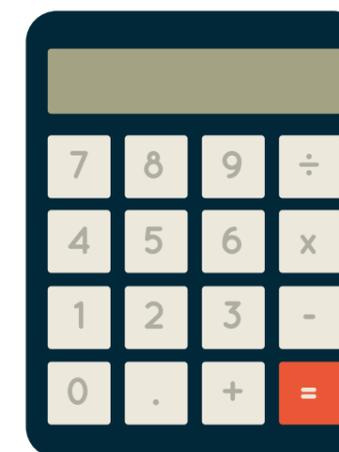


Cairn won the Chartered Institute of Housing Developing Skills and Capacity Award in 2015

“From the minute I came through the door everyone was so welcoming and supportive. There is a great feeling of being part of one team here. I really enjoyed the variety of the job and I’ve gained loads of confidence. It’s really opened my eyes to the idea of a career in housing.”

Lynsay McKnight,
Trainee

STATEMENT
OF FINANCIAL
POSITION



Statement of Financial Position
as at 31 March 2016

	2016 £	Restated 2015 £
Assets less Liabilities		
Housing Properties	88,197,171	84,719,431
	88,197,171	88,197,171
Investment Properties	8,940,976	8,940,976
Other fixed assets	1,265,189	1,277,265
Investments	1	1
	98,403,337	94,937,673
Net Current Assets	(2,068,151)	(619,465)
Long term liabilities	43,390,862	43,393,693
	52,944,324	50,924,515
Capital and Reserves		
Share capital	103	96
Revenue reserves	52,944,221	50,557,361
Restricted reserves	-	367,058
	52,944,324	50,924,515

Statement of Comprehensive Income
for the year ended 31 March 2016

	2016 £	Restated 2015 £
Income		
Turnover - continued operations	15,523,200	16,778,994
Turnover - discontinued operations	536,014	215,081
Interest receivable	35,936	11,334
Gain on sale	1,072,331	139,171
	17,167,481	17,144,580
Expenditure		
Operating costs - continued operations	12,747,926	14,227,378
Operating costs - discontinued operations	681,286	236,147
Interest payable	1,717,715	1,657,295
	15,146,927	16,120,820
Total surplus for the year before tax	2,020,554	1,023,760
Tax	752	-
Total comprehensive for the year	2,019,802	1,023,760

The financial statements have been prepared in accordance with FRS102, and the 2015 figures restated accordingly.

Full audited accounts for the year to 31 March 2016 are available from:

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

Board of Management

Ken Ward, Chairperson - *retired September 2016*
 Simon Guest, Vice Chairperson
 Michael Allan
 Helen Barton
 Euan Bell-Scott, *retired July 2016*
 Lauren Casserly - *co-opted July 2016*
 Greg Colgan
 Bill Gillespie
 Don Jamieson
 Angus Lamont - *co-opted July 2016*
 Moira MacKenzie
 David Venters
 Gill Walch
 Neil Wood - *co-opted July 2016*
 John Woods

Chief Executive and Secretary

Jason MacGilp, FCIH

Staff

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Auditors

Scott Moncrieff, CA (Internal)

Solicitors

Blair Cadell
 TC Young
 Shoosmiths
 Harper Macleod LLP

Bankers

Royal Bank of Scotland plc

Other lenders

Santander Corporate Banking





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OUR EMAIL:

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Inverness IV1 1NB

This document is available on CD, in Braille, large print and community languages from Cairn, Citypoint, 65 Haymarket Terrace, Edinburgh EH12 5HD.
Email enquiries@cairnha.com or call 0800 990 3405

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