



Cardiff Community Housing Association
Cymdeithas Tai Cymuned Caerdydd

Annual Report 2017

and financial statements

for the year ended 31 March 2017

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Foreword

Welcome to our second combined annual review, financial statements and self-assessment evaluation. It has been written to do four things:

Firstly, the strategic review explains what we have achieved in the last year as we have strived to meet our five corporate outcomes which are focussed firmly on making our tenants and communities better off and running our business efficiently - without a robust financial foundation we cannot achieve our outcomes.

Secondly, the business review explains how we effectively govern our business, notably in respect of our Board.

Thirdly, the financial statements section provides the full details of our accounts for the year ended 31st March 2017.

Lastly, our self-assessment evaluation concludes the report by summarising our opinion as to how we are meeting the aims set for us by the Welsh Government's Delivery Outcomes.

In the last twelve months, we have continued to provide homes and services for those in housing need and worked with the communities where we have been based for over forty years. As you will see from the strategic review, we:

- rehoused 326 people
- built 57 new homes
- started work on a further 171 new homes and commenced the regeneration of the Maelfa shopping centre
- completed most of our repairs first time, including 99% of emergency repairs
- fully completed our planned maintenance programme
- held our first tenants' conference
- saw thousands continue to use our local office and community facilities

- helped tenants in a variety of different ways – from money advice to personal support and dealing with ASB
- helped many into training, work placements and jobs, thanks particularly to our partnerships with Communities First and Lift

Despite this, the demand for our housing from those in need continued to exceed supply and the communities where we work remained some of the most disadvantaged in Wales. In addition, the changes to the welfare benefits system and the gradual introduction of Universal Credit mean many of our tenants face an uncertain financial future.

Therefore, whilst it is right that we should acknowledge what has been achieved in the last twelve months, it is equally important to recognise that the challenges facing us and our tenants remain undiminished. We are confident that we can meet these challenges and thus continue to serve the tenants and communities we are proud to work with and for.

Working for a housing association is a privilege. It gives us the opportunity to do good things and, when we get it right, you can actually see the difference you make to people and communities. However, we couldn't do what we do without the support of our team, Cardiff City Council, the Welsh Government, Cardiff Accessible Homes, STAR Communities First, the Lift project and the many tenant and community volunteers who give their time willingly and freely. We are grateful for your support and we thank you for it. We are also grateful to those whose stories appear in the report and illustrate the importance of the work we do.



“Providing new homes has always been a vital part of what we do. However, making sure we continue to provide good services to our tenants and positively contribute to the communities where we work also defines us.”

Chair's report

Reflecting on the past year, I am proud that CCHA has continued to provide homes and services in the areas where we have worked for over forty years.

As explained in this report, we have achieved a lot in the last twelve months and our plans for the next few years present us with some exciting challenges. It is particularly pleasing that we are leading the regeneration of the Maelfa shopping centre and that, together with our partners in Lift and Communities First, we have been able to provide many job and training opportunities.

Providing new homes has always been a vital part of what we do. However, making sure we continue to provide good services to our tenants and positively contribute to the communities where we work also defines us.

So, it is pleasing to note that satisfaction with our services and our team is good and that we recorded many successes in this area in the last year. It is particularly interesting to note the huge numbers of tenants who visit and contact our customer services team at Callaghan House, and the even greater numbers that make use of our community facilities.

Such numbers suggest dealing directly with people still has a great appeal for many in our digital world. We have improved our digital services this year, and need to do more. Nevertheless, the direct contacts we have with our tenants reinforces our belief in the importance of local service - as does the number of tenants who attended our first annual tenants' conference and gave us their time at our various focus groups.

The new homes, services and community facilities could not be provided if CCHA was not financially strong and well-governed. As

our annual accounts in this report show, our finances are robust; this gives us confidence that we can meet our future commitments.

Effective governance starts with our Board. In the last year the Board has ensured our business strategy is effective in delivering the commitments we have made to the communities where we work. With our senior team, the Board has pursued a progressive agenda, notably in respect of the Schooner Way development which will deliver homes for rent and sale. Crucially, Board has always ensured that the risks behind the decisions they take are always fully explored beforehand. Stress-testing our plans in this way is the key to securing a successful future for CCHA.

During the past year the Board has had to make some difficult decisions. Whether it was increasing rents or approving the disposal of uneconomic property, these decisions have been taken with the aim of ensuring the long-term financial stability of CCHA.

Looking to the future, the continued rollout of the welfare reform agenda will continue to bring new challenges for CCHA. We are positive though that we can meet these challenges and will work with our key partners helping to solve the problems that the communities we serve will face.



Kaniz Malekin
Chair

Senior Staff

Secretary
Mr K Protheroe

Executive Officers

Chief Executive
Mr K Protheroe

Director of Finance & ICT
Mr M Potter

Director of Customer and Community Services
Mr M Thomas

Development Director
Mrs C Lewis

Director of Corporate Services
Mrs L Sulley

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Hugh James
L G Williams & Prichard

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21667R

Registered by the Welsh Government No. L035

Introduction

Who we are and where we work

CCHA was created in 1996 following a merger of Moors and Adamsdown housing associations.

We currently own and manage over 2,900 homes in nine areas of Cardiff and we pride ourselves on being a locally-based landlord with a commitment to providing excellent homes and services.

CCHA is a developing housing association. The creation of a strong financial environment that enables the Association to grow the number of homes it can rent is a key element of the Corporate Strategy.

In each financial year we plan to invest over £9m in new and existing homes and other assets.

Our Vision

To provide excellent homes and services and help to create communities where people are proud to live.

We will work together to:

- Make a positive difference to people's lives and communities
- Create a great place to work
- Be the best

Our Outcomes

- Tenants value their homes and our services
- Tenants feel listened to and their views count
- Tenants are proud of their communities
- Our team is effective and valued
- Our business is efficient

Our Values

- Respect - we seek to understand and engage effectively with the communities we work with and each other. We ensure people feel valued
- Integrity – we respect, value and trust our communities and each other. We act with openness and transparency
- Fairness - we believe in equality, diversity and inclusivity
- Effectiveness - we always do things with a positive and open mind. We have a 'can do' attitude
- Accountability – we are committed to making a positive difference in the community and the organisation. We take ownership, are responsible and professional
- Innovation – We believe in a culture of empowerment for the communities we work within and for ourselves

Strategic report

Our outcomes and what we achieved this year

Tenants value their homes and our services

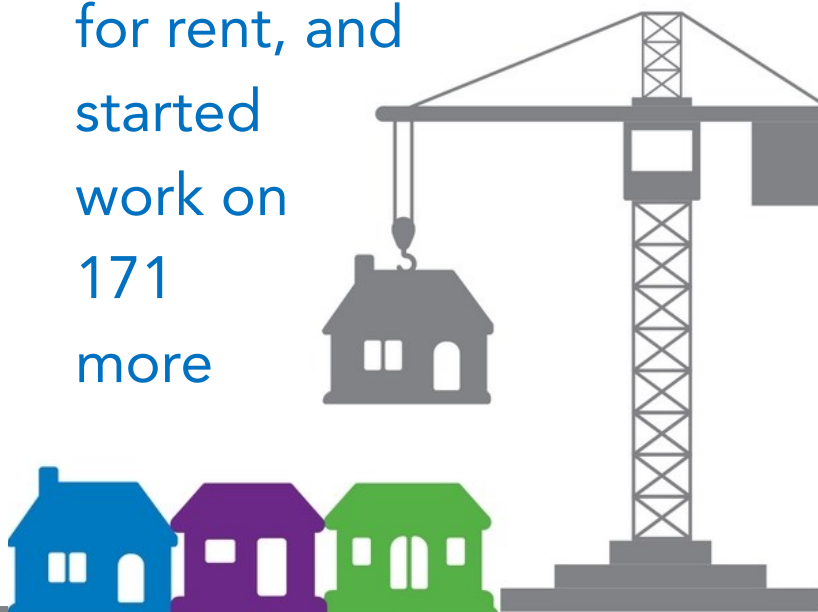
Housing those in need

- We rehoused 326 people, including 131 families
- Cardiff Accessible Homes rehoused 124 wheelchair users (double last year's total) and 63 people into accessible properties
- 52% of our lettings were made to help homeless people
- in partnership with Temp2Perm, we provided 66 homeless people with accommodation and a further 36 with other partners
- 28% of our lettings were to BME groups
- we relet our homes quickly – for instance 76% of our homes were let in less than 28 days and 28% in 7 days or less
- only 10% of our homes became available for rent during the year and in some of our areas we had no vacancies
- we made sure we had no long-term empty properties – they can be a problem in communities. We had only 23 out of 2,847 homes vacant and available for letting at year end – many of which will be already let by now. In addition there were a further 13 properties awaiting planned major work
- our rent loss due to empty properties was 1.3%
- 87% of our new tenancies were still in existence after two years

New homes

- we built 57 new homes for rent in Butetown and St. Mellons ranging from 1 bedroom apartments to 2 bedroom family houses
- we started work on 171 new homes in Schooner Way and Maelfa that will be completed on a phased basis between 2018-2020
- we acquired land at Brandon Tool Hire, Butetown for 25 new homes
- we invested £21.9m (including Welsh Government Social Housing Grant) in new homes

We built 57 new homes for rent, and started work on 171 more

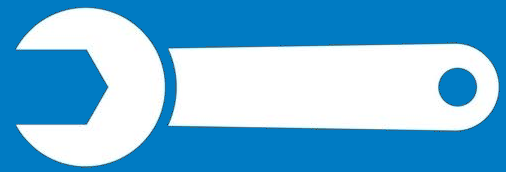


Repairs and maintenance

- we completed 79% of repairs first time (99% for emergencies)
- 93% of repair appointments were kept
- 99% of emergency repairs were completed on time
- 14,145 repair orders were completed
- 2,143 gas boilers were serviced
- 99% of properties had a valid gas safety certificate at 31st March 2017 (one property was the subject of action to obtain possession)
- 98.5% of all health and safety servicing was completed. The remainder outstanding was because we undertook voluntarily a range of new responsibilities and there was a plan in place to complete them
- 14% of our repairs were post-inspected to check on quality and service
- our grounds maintenance team looked after 69 sites
- our cleaning team looked after 78 sites
- 3 of our estate supervisors looked after specific estates at Menton Court, Trowbridge Mawr and Bayside
- 1 of our estate supervisors visited 66 schemes each week to carry out all required health and safety checks

Planned maintenance

- we fully completed our WHQS/planned maintenance programme. We installed 57 boilers, 102 sets of windows and doors, 44 new electric heating systems, 21 kitchens, 7 showers and insulated 54 homes
- we completed the final phase of 2,038 stock condition surveys to help organise future years' planned maintenance programmes
- we commenced modelling the 30 year planned maintenance programme with a view to providing clear information about the programme from 2017/18 onwards for tenants



93% of repair appointments were kept



14,145 repair orders were completed



Our grounds maintenance team looked after 69 sites

Almost 10,000
customers
visited our
Callaghan
House office
last year



Services and support

- 9,464 customers visited our Callaghan House office last year
- 82,766 calls were handled by our customer services team, with an average waiting time of 18 seconds (a 3.4% reduction compared to last year). Lost or abandoned calls met our 4% target at 3.3%
- calls to 4,500 tenants were made to survey satisfaction with the maintenance service
- calls to 1,000 tenants were made to survey satisfaction with our overall service
- we were assessed by the UK government and reaccredited with their Customer Service Excellence Standard
- we continued our preparation for Universal Credit by helping 187 tenants make the switch to receiving their own Housing Benefit and managing their own rent account. 97% of rent due was paid
- we continued to encourage new tenants to receive their own Housing Benefit, with 68% of new tenants receiving Housing Benefit directly (27% higher than last year)
- we had 60 tenants claiming Universal Credit at the end of March 2017, with a collection rate of 76%
- we reorganised our team and recruited three new staff to ensure we and our tenants are ready for the introduction of Universal Credit and the other welfare benefit changes to come
- we made significant improvements to our housing management system by automating our rent arrears processes so that our team spend less time in the office and more time supporting our tenants
- we joined the Rental Exchange/Experian with a view to improving both our tenants' credit scores and digital authentication
- we joined Insight to help us identify tenants in financial distress so that we can act promptly to prevent rent arrears accruing and to offer a more personal and individual support service to our tenants
- we worked closely with communities, tenants and our partners to tackle anti-social behaviour and resolved 120 cases in the year. We received 364 complaints about ASB during the year and took 21 legal actions against the perpetrators of ASB
- Cardiff Accessible Homes completed 213 disability adaptations to peoples' homes, resulting in the installation of 30 stair lifts, 69 level access showers and 99 jobs to ramp and widen access to homes and rooms

- we provided personal support to 37 tenants to help them to successfully live independently. We:
 - helped a family overcome child protection issues by jointly working with social services
 - supported an individual with issues of past-abuse and self-harm to reach a point where she is now looking to gain employment and is no longer self-harming
 - we supported people to address issues of addiction, mental and physical health and numerous other personal issues that were preventing them from maintaining their tenancies
 - 77% of post-tenancy visits to new tenants were completed to make sure they were settling well into their new homes
 - 336 money advice visits were completed, which helped to save tenants almost £95k, including unclaimed benefits and reducing household spending. The visits and money saved were double last year's performance



We received 106 formal complaints in the year, and resolved 92 of them

- the rent arrears of tenants decreased by 57% over 6 months following a money advice visit
- we held a number of events to promote financial advice and support. Our summer event in Splott Park was attended by 500 people. At estate open days we interacted with 157 tenants to promote the help and support our money advice team can provide
- rent arrears increased in the year from 1.94% to 2.39% (target 2%), and we helped many tenants with rent arrears problems
- despite Universal Credit, the bedroom tax and benefits cap, evictions due to rent arrears remained steady at 13 cases
- our rents increased, although they remain less than many e.g. the typical weekly rent of a 3 bedroom house is £101.23 and a 1 bedroom flat is £77.43
- we said sorry and put things right when we got it wrong. We received 106 formal complaints in the year. We resolved 82 complaints informally and 10 formally.



336 money advice visits were completed, which helped to save tenants almost £95k

97%

were
satisfied with
our lettings
service

82%

were
satisfied with
their relet
homes

84%

were
satisfied with
our ASB
service

91%

were
satisfied with
their new
homes

100%

were satisfied with their completed WHQS works (target 90%)

90%

were satisfied with our reactive repairs service (target 90%)

89%

were satisfied with our gas-servicing engineers (target 90%)

98%

were satisfied with the service received from Cardiff
Accessible Homes and 92% feel they have benefitted from
the improvements Cardiff Accessible Homes made to their
homes

100%

would recommend the Cardiff Accessible Homes service to
others

91%

were satisfied with
the financial
support we provided

98%

were satisfied with
the service
provided by our
Callaghan House
team

85%

were satisfied with
CCHA's overall
service

Tenant stories: Ann

In 2016 we restructured our supported housing team to bring our money advice and tenancy empowerment staff together under the Tenancy Empowerment team so that they could provide a more rounded and complete support service for our tenants.

Ann has been working with the team for the past four months and has made significant progress in this short time. She wanted to share her story to help encourage other tenants who may be experiencing similar issues to get in touch and seek out help.

"I was in a one bedroom flat in Riverside which really wasn't suitable as I use a wheelchair and my partner was having to carry me up and down the stairs. After waiting for a long time, a ground floor CCHA apartment became available and I took it."

Ann was referred to the Tenancy Empowerment team after an initial visit from her CCHA Housing Officer, who was concerned for her wellbeing. Lauren and Leanne, our team, met with her and quickly discovered that Ann was suffering with a number of mental health issues including self-harm. Leanne continued to meet and work with Ann regularly and managed to gain her trust.

"Without Leanne I wouldn't cope. If I'm having a bad day, I can text Leanne and she'll be there to tell me it's okay. I've phoned her when I've been in tears, and she's come out straight away. She makes me laugh."

Ann remembers her life before she received support: "I didn't go out. I was always in my pyjamas, sat on the sofa, and I wouldn't move. I didn't do anything, not even housework - I would just sit and eat."

These days, Ann is out and about and has been attending a number of support groups facilitated by STAR Communities First. She has joined a local Slimming World group and is making excellent progress with losing weight and increasing her mobility both of which are required before she can have a long awaited knee operation.

Following a disclosure of abuse in her childhood, Leanne has also been working with Ann to pursue a legal case against her abusers, something she has been trying to achieve for a number of years. "I reported this a number of times, but nothing happened," Ann explains. "No-one believed me. But Leanne listened, and she believed me, and now the police are taking it seriously." This is a hugely positive step for Ann, as it will help her to draw a line under her past, and move on to a brighter future.

As soon as she is able to have her knee operation Ann is keen to get into work, and Leanne will be referring her to the CCHA JETS programme for dedicated support with this. "I want to work as a carer", says Ann, "I want to work in the community and help others."

Ann has now been discharged from Mental Health Services and has made great progress with her independence including taking a bus on her own recently, a huge personal milestone. She has become engaged to her partner James and the two are saving for their wedding, as well as enjoying more time together now that Ann is able to leave the house.

If there are other tenants in similar situations, Ann has some advice: "Get in touch and ask for help - even if you're not ready to talk, you can just sit in a room with them and you know that someone is there for you. CCHA have helped us so much - you're the best!"

Tenants feel listened to and their views count

Involvement

- we held our first annual tenants' conference attended by 30 tenants, our Senior Management Team and two Board representatives. We held various sessions in connection to our services and obtained valuable feedback
- we worked with the Tenant Service Inspectors to create a new consultative group called CCHATTER. The group has been instrumental in assisting on a range of consultation activities, and supported us during our Customer Excellence inspection
- we had 24 'You Said, We Did' contacts and 62 'You Said We Did' improvements were identified
- we hosted six focus groups on service areas including supported housing, customer involvement and tenant communication
- we have carried out two consultations with our 100 club
- we set up a Friends and Neighbours Group in Tremorfa Hall which is well attended by CCHA tenants
- we worked with our colleagues in Tai Pawb and are one of the first 5 HAs in Wales to undertake the QED (Quality in Equality & Diversity) assessment
- we completed a snapshot survey of 300 tenants testing customer satisfaction with our services
- we commenced planning for our second annual tenants' conference
- we carried out a specific LGBT consultation at Cardiff Pride 2016 and CCHA staff and tenants participated in the Pride 2016 March in Cardiff city centre

Information

- we published an annual review of our performance
- we increased the regularity of Chat magazine and made it quarterly, and combined it with tenants' rent statements
- we published our Corporate Strategy and made it available to all our tenants
- we published our Welsh Government Delivery Outcomes Self-Assessment, which is included in this report

Performance

- 62 improvements linked to You Said We Did
- 40% (70% by end of the first quarter 2017/08) of equality data collected on the nine key strands (target 90%)

We completed a snapshot survey of 300 tenants testing customer satisfaction with our services



Tenant stories: Nora



Flix Cinema has been a CCHA community project since 2012. It aims to bring the joy of film to all by providing free and low-cost cinema screenings in our Culture and Media Centre, Butetown. We recently secured a funding bid from Ffilm Cymru to allow us to extend these screenings to other community facilities.

Nora Windsor, a CCHA tenant, has been attending Flix cinema for a number of years. "I really enjoy coming to the cinema" says Nora, "It gets me out of the flat, and allows me to meet other tenants – I am very good at chatting to people!"

Nora explained that her husband John liked scientific films, so this is what they tended to watch in the house. She valued the variety that Flix cinema offered. "I like old films, which remind me of what it was like growing up. And I also like family films – I love *Frozen*!"

"Going to the cinema is great fun, we always have a cup of tea and a biscuit and even if I have seen the film before, I enjoy the

experience. Last time we watched *La La Land* and a lady asked me to dance with her afterwards! It was wonderful."

Flix Cinema has given Nora the opportunity to enjoy films that she had never heard of before. Notably she recalls *Pride* and *Philomena* being particularly enjoyable. Her favourite film of all time is *Field of Dreams*, which she hopes will be screened at some point in the future.

Although Nora has attended screenings in the Culture and Media Centre, she is thrilled that the recent funding has allowed CCHA to bring Flix closer to her: "The new venue is much easier to get to, people can walk to it if they want. And there were some new faces there last time as well."

Nora has become a real advocate for Flix cinema in her local area, and has been encouraging other tenants to come along next time. She has placed flyers in her local Salvation Army shop, and hopes to get some posters displayed in other local businesses to help increase attendance.

Nora uses a walking frame, and usually relies on her husband John to assist her if she wants to go anywhere. Part of the Ffilm Cymru funding bid was used specifically for transport costs to support disabled people like Nora to be able to attend the screenings and she wanted to express her thanks for this: "Sometimes I have problems even getting a taxi, as they see my stroller, and they won't take me. But with the cinema, they book me an accessible taxi, which means I can go on my own. Although I might let John come along next time!"



Tenants are proud of their communities

The people

- gave 4,859 volunteering hours to support Communities First projects, earning 10,763 time credits
- we hosted a broad spectrum of community activities engaging with over 1,200 of our tenants

The community partnerships

Communities First helped:

- 113 people secure employment
- 481 people receive a qualification or a work placement opportunity
- 2,191 people engage with the Communities First projects with 2,398 sessions having taken place
- 670 make healthier lifestyle choices with 666 stating they are more positive and confident since being involved with the projects
- 122 children to improve their performance at school
- 129 parents to feel more confident supporting their children

Lift helped:

- 155 people into work – including 2 with CCHA
- 107 people into work placements - including 9 with CCHA
- 48 people to complete basic skills training
- 257 people onto vocational training courses
- 33 people to prepare to re-enter work

4,859

volunteering hours
helped support
STAR
Communities First

2,191

people engaged
with STAR
Communities First
projects

155

people were
supported back
into work thanks to
our Lift project



22,263

people used our
community
facilities



100%

would recommend
our Culture and
Media Centre to
others

Our community facilities

- 22,263 people made use of the cinema, media suite, services, facilities, activities and training opportunities in our community centres in Butetown, Trowbridge, Tremorfa and Adamsdown
- the use of our Community and Media Centre at Loudoun Square increased by 29% and our social enterprise facilities remain fully occupied
- we hosted, in partnership, the 'Into Film Festival', free cinema screenings which were attended by 179 local school children
- we successfully hosted a Construction Day in October 2016, in conjunction with our development team and our employability projects
- we developed, specifically for our tenants, our own in-house employability project JETS (Jobs, Experience, Training and Support)

Performance

- 94% of our tenants are satisfied with their communities (target 90%)
- 87% of new tenancies are still current after two years (target 85%)
- 100% of Communities First projects are on track (target 80%)
- 93% of participants on Communities First projects rated them as very good or excellent
- 100% of people using our Community and Media Centre were either very satisfied or satisfied with the helpfulness of the staff
- 95% would book the Community and Media Centre again and 100% would recommend us

Tenant stories: Cerianne

Cerianne's first involvement with the Lift Programme came through Job Centre Plus, when her advisor told her about the scheme in 2015. She had been out of work for a number of years since the birth of her daughter and took it upon herself to contact Lift to see if they could support her back into employment.

Her mentor Susan quickly established that Cerianne needed some work experience to help improve her confidence and bolster her CV and she was offered a volunteering position within the Lift team. Her duties included general office administration, making referrals and data entry. Reflecting on this experience, Cerianne says: "It was about my confidence more than anything else. I was really down, and my experience with the Job Centre hadn't been



very good, but working with Lift got me back to being me."

After a year of volunteering with Lift, Cerianne was offered a 12 week work placement in the Communities & Regeneration team at CCHA. A vacancy within the team became available that Cerianne applied for, and she was successfully appointed to the position of Communities & Regeneration Administrator, working part time hours to suit her childcare requirements.

"I love it!" says Cerianne, "My role involves community centre bookings, inputting data onto spreadsheets, invoicing, and also lots of opportunities to go out and get involved in the community such as the FAN (Friends and Neighbours) group and the Chatter group" (pictured above)

"The Lift programme have been great, but you've got to put the work in yourself. If you want it, they'll do everything they can to help you, but it's a two way process. It's the best thing I've ever done."



Our team are effective and valued

- our team consists of 101 people committed to delivering our homes and services. Of this 101, 17 people work for Communities First and 5 for LIFT
- we restructured the Communities First team and recruited 20 people across the organisation
- we continued our training in leadership development programmes
- over 28,000 hours were delivered on training and developing staff with a total spend of £351,235
- our Customer Culture programme won the CIH Cymru Welsh Housing Award for Customer Excellence
- we achieved Silver Investors in People status, a huge improvement from Bronze in 2013
- we reviewed our occupational health services and absence policy
- we reviewed the performance element of our pay scheme to increase accountability and commitment to our purpose

Our staff benefitted
from over **28,000**
hours of training

We achieved the Silver Investors in People Standard, and won the Customer Excellence prize at the CIH Cymru Welsh Housing Awards



Performance

- self-certified sickness absence was 2.70%, compared to 1.90% last year, although it fell to 0.73% by May 2017 (target 1%)
- staff turnover was 11%, compared to 10% last year (target 5%)

Our business is efficient

We cannot deliver our plans unless our business is well governed, financially strong and efficient. In the year we:

- fully completed our annual governance improvement programme
- we achieved our operating, gearing and interest cover targets
- made good progress in meeting the Welsh Government's Community Benefits Toolkit requirements
- the next tranche of new loan funding is in the process of being secured

Good corporate governance is also fundamental to what we do. Thus having a robust Board, committed to CCHA, and the highest standards of governance is essential. In 2016 we received the Good Governance award from the Welsh Council for Voluntary Action in recognition of our approach to governance.

More details on how we manage our finances and the work of our Board are in the next section.

Performance

- operating surplus will exceed 20% of turnover: 26.80%
- gearing to be at or below 58%: 50%
- interest cover to be at least 150%: 208%
- required new loan funding secured
- achieve 'Standard' in respect of the Welsh Government's Financial Viability Judgement: Achieved
- complete the Welsh Government's Community Benefits Toolkit for all contracts over £100,000 annual spend: Partially achieved

Business review

Our Corporate Strategy

Each year we review our corporate strategy. The current 2017/22 edition of the strategy outlines our outcomes, the challenges we face and the specific objectives set to meet these challenges in the next twelve months. The corporate strategy operates within the business framework parameters we have set.

Our business framework

CCHA is a traditional housing association whose main business aims are to provide services and affordable housing for the people of Cardiff and to assist in the regeneration of the communities where we work. Whilst we do consider other business opportunities these are only undertaken with the aim of supporting the provision of additional affordable housing or regeneration.

We view CCHA as a long-term business and want to see it:

- maintain rents at affordable levels
- control costs and achieve value for money to ensure that we have sufficient surpluses to invest in sustaining services, funding the development programme, repaying loans and reinvesting in the planned maintenance programme. We want to be clear that CCHA is an organisation that lives within its means, where borrowing is only used to build new homes
- continue to develop new homes in accordance with the capital targets set
- put in place long-term funding plans
- maintain the improvements made to our stock by the WHQS and planned maintenance programmes
- develop customer services and ensure a customer culture exists at CCHA
- be willing to work in partnership and collaborating with others, in particular Welsh Government and Cardiff City Council

We understand that taking and managing planned risks are an important element of innovation. However, there must be evidence that demonstrates that innovative projects will make a return that supports our core housing association business.

We therefore mitigate those risks by the application of an effective risk management framework that is overseen by both the Senior Management Team and the Board.

An important element of innovation is enhancing what we already do i.e. continue to deliver our core business; but do it better and more cost-effectively.

Our Board of Management and governance

The Board has ultimate responsibility for the governance of CCHA. Having a robust Board committed to CCHA and the highest standards of governance is essential.

To ensure that we continue to be well governed, we subscribe to Community Housing Cymru's Code of Governance and our vision, values and outcomes.

During the year the Board reviewed the following:

- Board composition, skills and experience
- Board performance and training
- compliance with the Code of Governance
- Board members' Code of Conduct
- Board member recruitment policy and process
- Board members' terms of office and transition plan

The Board is satisfied that it has the appropriate skills, experience and diversity to drive CCHA forward.

Governance structure

Our Board comprises twelve members, of which up to four are CCHA tenants. We also permit Board observers, as required, to ensure continuity of skills and succession planning. New Board members agree to serve for a term of three years, with the option to continue for a further two three-year terms.

The Board's central role is to direct CCHA's work, to determine strategic direction, to establish control and risk management frameworks and to ensure that CCHA achieves its outcomes. The Board meets formally 10 times per year and delegates the day-to-day management and implementation of CCHA's work to the Chief Executive and Senior Management Team.

In addition, the Board is supported by three committees and groups:

Audit Committee

The Audit Committee meets four times per year and supports the Board particularly in respect of risk control, governance and internal audit. The Committee is appointed annually by the Board, and is comprised of at least three members in addition to the Chair.

The role of the Audit Committee is to review the comprehensiveness, reliability and integrity of assurances and whether they meet CCHA's needs, whilst working within the vision, values and outcomes of the organisation.

The Audit Committee received confirmation that controls continue to operate from a number of external sources:

- internal audit system reviews and compliance reports based on the agreed annual plan
- external auditors' management letters and reports
- regulatory reports issued by Welsh Government
- other regulators such as the Health and Safety Executive, etc.

The Audit Committee has reviewed the effectiveness of systems of internal control, including sources of assurance. It is satisfied that there is sufficient evidence to confirm that adequate systems of internal control have existed during the year up to the date of signing the accounts.

No weaknesses were identified which would have resulted in material mis-statement or loss, or required disclosure in the financial statements.

Technical Group

The Technical Group meets as required by the Board to consider and approve proposed new developments and to consider specific financial issues in more detail. The group meets at least once per annum. The Group is appointed by the Board annually and is comprised of at least three members in addition to the Chair.

The key issues reviewed by the Technical Group included:

- key developments
- stress testing of the Welsh Government 30 Year Financial Forecast

Personnel Working Party

The Personnel Working Party meets as required by the Board to consider specific human resource issues in more detail. The Working Party is appointed by the Board annually and is comprised of at least three members in addition to the Chair.

The key issues reviewed by the Personnel Working Party included:

- staff rewards particularly focussing on service improvement payments
- a review of the pay scheme

Anti-fraud and corruption, bribery and money laundering

The Board has current strategies in place for preventing, detecting and the recovery of assets associated with:

- fraud and corruption
- bribery
- money laundering

Risk assessments associated with each of these strategies are reviewed and where applicable are included within the internal audit programme. Suspected irregularities are reported to the Audit Committee at each meeting.

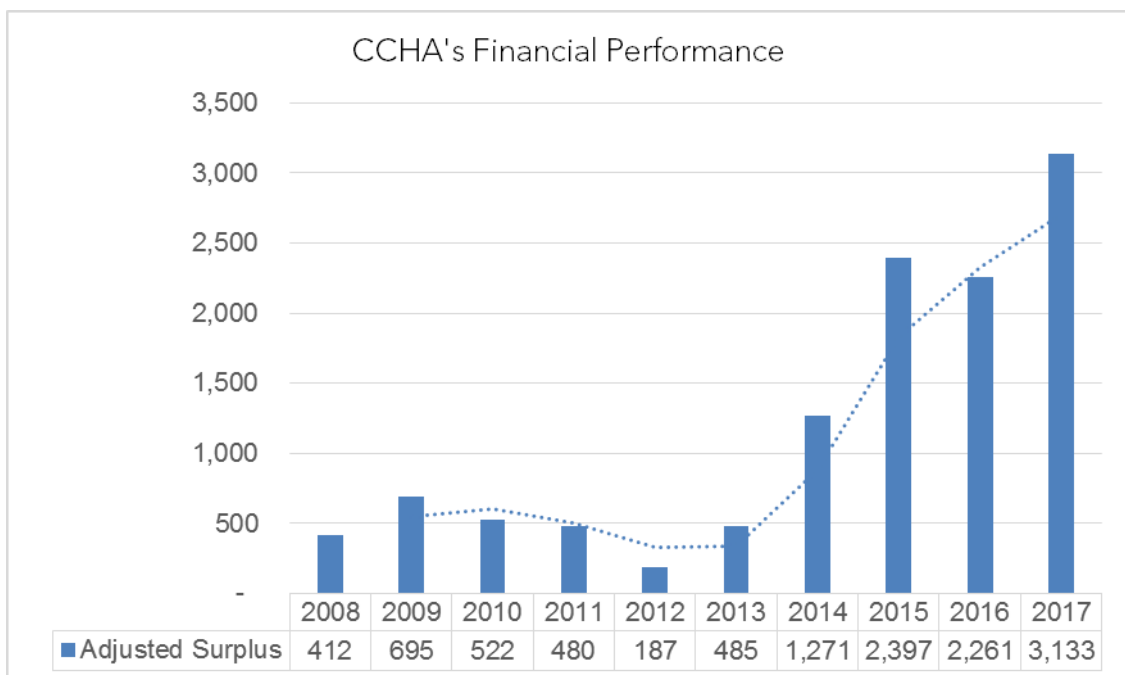
Our financial performance

The 2016/17 financial statements are the second set to be prepared under the accounting standard (FRS102) and accompanying Housing Statement of Recommended Practice (SORP 2014).

Whilst there have been no changes to the accounting requirements this year, further developments are being planned by the SORP Making Body to account for The Pensions Trust's SHPS defined benefit scheme to bring consistency with the Local Government Pension Scheme.

The year to 31st March 2017 saw a continuation of the strong financial performance that CCHA has been delivering over the past five years. From a turnover of £18.3m (2016: £17.6m), we achieved an operating surplus of £4.9m, or an operating margin of 26.8% (2016: £3.9m, 22.2%).

Financial Year	Reported Surplus	Exceptional Expenditure	Exceptional Income	Adjusted Surplus
2008	412	-	-	412
2009	695	-	-	695
2010	522	-	-	522
2011	480	-	-	480
2012	187	-	-	187
2013	485	-	-	485
2014	1,271	-	-	1,271
2015	2,782	-	(385)	2,397
2016	1,782	841	(362)	2,261
2017	3,133	-	-	3,133



For every £1 of rent charged we receive £0.32 in other charges and grants (2016: £0.35).

Our development programme 2015/21

Year	New Homes Completed and Planned
2015/16	42
2016/17	57
2017/18	47
2018/19	123
2019/20	42
2020/21	50

We have been successful in receiving full Social Housing Grant or Housing Finance Grant on all of our schemes. We are currently projecting that we will deliver on average 60 homes per annum over the 6 year period against our long term target of 50 homes thus helping to contribute to Welsh Government's target of 20,000 affordable homes.

In 2015/16 we received £2.5m from the Welsh Government's Land Loan Scheme to enable the acquisition of the Schooner Way site. Since the 31st March 2017 we have repaid £1.5m due to the receipt of Social Housing Grant for the affordable rented element of the site.

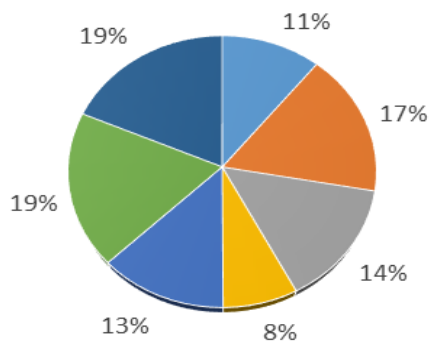
Equality and diversity

Our equality and diversity strategy is reviewed annually by our Board. We are committed to equality and diversity in employment and the provision of services.

We will mainstream equalities and diversity as part of our day to day operations, and have made substantial progress in identifying and addressing issues within our diverse communities. We have put in place the appropriate governance structures to support diversity and equality.

We have commenced working with Tai Pawb seeking to gain external accreditation for our work via their QED framework. Their assessment and delivery of an improvement action plan will take our equality and diversity work to a higher level and have a significant positive impact on service delivery.

Where we spent our money in 2016/17



- Loan Interest Paid
- Combination to Reserves
- Other Operational Costs
- Service Charges
- Depreciation
- Staff Costs
- Reactive Maintenance

Our development strategy

Our development strategy is approved annually by the Board. CCHA prides itself on being a developing association and has made significant progress over the last year with the Hamadryad scheme being completed and schemes at Maelfa and Schooner Way commencing.

Delivery of the Moorland Road scheme slipped from 2016 to July 2017 due to the contractor going into administration.

Realising opportunities and managing risks

CCHA has a formal risk management strategy, which is approved annually by the Board. This stipulates that the Board has ultimate responsibility for risk management.

The management team, led by the Chief Executive, has overall responsibility for risk management at the operational and day to day level. The Board has delegated its responsibility for monitoring risk management issues to the Audit Committee.

There are many challenges facing us. However, it is not the challenges that define us as an organisation, but how we respond to them. In line with our values we seek to create a culture of empowerment whereby staff maximise the opportunities that exist to improve the communities that we serve.

CCHA operates in a low overall risk range, and is cautious in its approach to risk, without being unduly risk averse. Its lowest risk appetite is around health and safety, service risk, reputation and regulatory standing, with marginally higher risk appetite towards other objectives.

The management of risk must be an appropriate fit for the organisation; but there is a level of risk that is unacceptable for it to operate outside. Our acceptable level of exposure to risk is set at a level which does not:

- damage CCHA's capacity to exist into the future (i.e. does not significantly impede its financial or operational viability)
- materially damage the relationship with its tenants or the tenant/service user experience, or
- significantly impact on the good reputation of CCHA overall

Risks must be measured and have at least one foot in what we already know we are capable of as a housing business.

We must be bound by our Welsh Government thirty-year financial forecast – notably in respect of the five-year element of it.

The key strategic risks that we manage as part of delivering our Corporate Strategy are detailed below:

Welfare reform

The challenges posed by the welfare reform agenda continue to evolve. From a business perspective an increase in the non-payment or delayed payment of rent represents the biggest risk facing CCHA in the short to medium term. Our Support and Money Advice Team aims to provide budgeting support to tenants, thereby assisting them in their ability to pay their rent.

Addressing the housing issues for under 35s who are on Housing Benefit will be a particular challenge following the recent changes to how Local Housing Allowances will be used for benefit purposes.

Health and safety

The safety of our tenants, leaseholders and staff is paramount to our business. We have monitoring systems in place for all of the major health and safety risks such as fire, working at heights, legionella and gas and electrical compliance. To ensure our systems are compliant we commissioned a strategic review of our strategy and systems by an independent consultant to ensure that we are managing the right risks facing the business.

Cyber security

There are an increasing number of attempts to perpetrate fraud or an information security breach. Whilst we have developed good policies and procedures we are planning to invest in new measures during 2017/18 to further strengthen our systems.

Market sales

In 2015/16 CCHA acquired a development site for building a number of outright sales. After careful consideration of the risks the Board approved the commencement of the construction during 2016/17 with the aim of generating additional funds to build more affordable rented housing during 2018/19.

Cash flow risk

CCHA's principal cash inflows arise from the receipt of rent, housing benefit and loan financing. The principal cash outflows arise from maintenance and development expenditure and the payment of salaries. The Board undertakes an active review of this risk to ensure that both operating and development cash flows are sufficient to ensure the smooth running of CCHA's business.

Credit risk

CCHA's principal financial assets are bank balances and cash, rent arrears, other receivables and investments.

CCHA's credit risk is primarily attributable to its rent arrears. Provisioning for potential non-payment of rent arrears is undertaken to minimise the impact of the risk of non-payment.

Liquidity risk

In order to maintain liquidity, sufficient funds are available for on-going operations. The Statement of Free Cash highlights that a total of £0.8m (2016: £0.8m) free cash has been generated after the repayment of loans.

Going concern

The Board ensures that all significant decisions are taken in accordance with CCHA's Financial Strategy which is evidenced by the thirty year financial forecast. In 2017 the Welsh Government regulation team reviewed the Association's thirty year financial forecast and

provided a positive Financial Viability Judgement on the Association's ability to meet future challenges.

Overall assessment

The Audit Committee has reviewed the risk register and the risk management arrangements during the year and concluded that the Senior Management Team has effectively managed CCHA's risks.

The assessment was verified by the Association's independent internal audit who concluded that:

"In our opinion, Cardiff Community Housing Association has in place an appropriate framework for identifying, evaluating and managing the significant risks faced by the Association"

Value for money

This statement outlines our approach to value for money (VFM) by focussing on what it means for our tenants, stakeholders, Board members, and staff. It sets out how we are seeking to deliver our social and charitable objectives by becoming more efficient and, where appropriate, more commercial.

This is the first year that we have provided a VFM statement as part of our financial statement and in the future it will form a key part of demonstrating our approach to all interested parties.

CCHA defines VFM as the relationship between effectiveness, efficiency, and economy, often described as the value chain. CCHA prides itself on being a community based association where sustainability and community regeneration form part of the effectiveness assessment. We assess VFM as higher when there is an appropriate balance between ensuring services are cost effective and also high quality and sustainable.

Since 2016, a fundamental driver for VFM at CCHA has been our Customer Culture project, where we are challenging the status quo, looking for new ways of improving the customer experience and delivering services in the most cost effective way possible.

Creating VFM is essential within CCHA as it creates a sound financial base whereby additional resources are available for the delivery of new homes and services to benefit our tenants and the wider achievement of our social and charitable objectives.

We aim to be accountable to our tenants, partners and the Welsh Government by setting out our past performance and future aspirations.

Overview

Value for money is at the heart of our strategic objective 'Our business is efficient'. Any value added can be applied to:

- building new homes to help address the lack of housing supply in the areas where we operate
- improving our existing homes and raising tenant satisfaction; and
- helping to improve the life chances of our tenants and/or the communities where they live

CCHA is committed to managing its resources effectively and efficiently. Our VFM strategy is designed to help us:

- understand our costs, benchmarking them internally and with our industry peers
- make sure quality is an essential element when making VFM decisions
- actively involve tenants in decisions affecting front line services
- make sure financial savings are re-invested into improving services for now and in the future
- challenge how we deliver services and get VFM
- procure goods and services more efficiently and effectively

Value for money indicators

	2015/16 Sector Actual	2015/16 CCHA Actual	2016/17 CCHA Actual	Trend on 2015/16
Operating costs for lettings per social housing property	4,215	4,233	4,214	
Management costs per social housing property	1,360	1,834	1,605	
Reactive repair costs per social housing property	1,033	1,112	1,211	
Major repairs and component costs per social housing property	1,176	276	423	
Bad debts per social housing property	29	56	62	
Weighted average cost of capital	4.5%	2.8%	2.7%	
Free cash flow (before draw down or repayment of loans)	350,000	2,291,000 0	2,888,000 0	
Free cash flow (before draw down or repayment of loans)	-	796,000	1,060,000 0	
Gross arrears/social housing turnover	4.5%	8.5%	5.9%	
Net arrears/social housing turnover	-	2.3%	2.1%	
Total rent per social housing property	5,158	4,628	4,827	
Rental void loss per social housing property	76	51	69	

Trend analysis

	2015/16 Sector Actual	2015/16 CCHA Actual	2016/17 CCHA Actual	Trend on 2015/16
Growth in turnover	4.9%	-7.3%	4.0%	
Growth in operating costs	5.3%	-6.2%	-1.5%	
Growth in operating surplus	3.0%	-11.1%	22.8%	
Growth in interest paid	6.7%	-11.8%	1.1%	
Growth in total fixed assets	5.8%	4.1%	2.4%	
Growth in long term debt	8.2%	9.1%	-6.4%	
Growth in capital and reserves	8.5%	8.0%	13.0%	
Turnover per employee	85	193	183	
Interest cover	151.0%	202.4%	245.9%	
Salary cost per employee	-	31,352	29,610	

Operating costs

In 2015/16 CCHA ranked 9th highest in terms of operating costs for lettings per unit with a cost per unit of £4,233. In 2016/17 the cost per unit had marginally reduced to £4,214.

Whilst this is only a small overall reduction in operating costs per unit there have been significant changes to what the money has been spent on. Overall management costs have been reduced whilst additional funds have been made available for tenant-facing services such as reactive repairs and component replacement.

Part of this variance is attributable to the inclusion of service charges which on average makes up 9.14% of the total rent charged. Following discussions with tenant representatives from the CCHATTER group and with those tenants who attended the Tenants' Conference in November 2016 we are planning to focus on service charges as part of our 2017/18 review.

Treasury management

At the year-end CCHA had loans of £68.5m and incurred interest charges of £2.1m excluding the financing charges of the pension scheme.

The effective management of this debt is a key factor in achieving VFM due to its impact on CCHA.

CCHA have contracted with David Tolson Partnership Ltd. to provide an oversight on treasury management issues.

Annually, the Board approves a Treasury Management Strategy with the aim of ensuring that a risk-based approach is taken to the management of the loan portfolio.

In order to mitigate against future interest rate rises the Board has set a target that 70% of the loan portfolio must be made up of loans with fixed rates. At the year-end 73% of loans had fixed rates.

The active management of loans, despite having an active development programme and borrowing additional financing in rent years, has ensured that CCHA has one of the lowest average cost of capital rates within the sector in Wales.

Summary

There is a positive trend on 9 of the 12 indicators. In 2017/18 we plan to work with other associations and benchmark our costs against their performance.

Key areas to review include:

- reviewing rents and service charges to ensure they remain affordable
- continued focus on arrears management
- review of voids

Financial statements

For the year ended 31 March 2017

Report of the Board of Management

The Board of Management presents its report and the audited financial statements for the year ended 31st March 2017.

Principal objectives and activities

The principal objectives and activities of CCHA are the provision of housing and associated amenities for persons in necessitous circumstances upon terms appropriate to their means.

Board members and senior executives

CCHA's Board members who served during the year are set out in the following table. The senior executives hold no interest in CCHA's shares and have no legal status as directors, although they act as executives within authority delegated by the Board.

Name	Board	Audit Committee
Ms S Bickerton	7/10	4/4
Ms D Rosser	10/10	3/4
Mrs K Malekin	9/10	
Mr P Max	9/10	4/4
Mr R Chick	9/10	
Mr P Miles	5/10	
Mr N Hazelden	9/10	3/4
Ms B Gladwyn	6/10	
Mr H Mehta	2/4	2/4
Mr G Kenning	10/10	3/4
Ms E Venus	6/8	
Mr I Jones	9/10	4/4

Employees

CCHA's strength lies in the quality and commitment of its employees. Our ability to meet our objectives and commitments to our customers in an efficient and effective manner depends on the contribution of employees throughout the Association.

CCHA provides information on its objectives, progress and activities through staff briefings and provides training programmes focused on the knowledge, skills and teamwork necessary to meet the objectives of the Association.

Review of business

The results for the year and an analysis of CCHA's performance are detailed in our earlier strategic and business reviews and the financial statements that follow. The Board of Management considers that the results are satisfactory and indicate CCHA's effectiveness, continued growth and financial strength.

The surplus this year reflects the demanding nature of the financial spending priorities and the predicted medium-term financial outlook.

By prudently planning these demanding commitments we achieved these objectives whilst improving our surplus position and plan to continue to do so in subsequent years.

In the year, the Association received new grants of £9.0m to build new homes. In total, homes available for rent comprised 2,847 by the end of the financial year.

To enable us to support these activities and our business we maintained our robust financial position. Turnover from rental income was £13.9m reflecting an increase in rents in line with benchmark rents issued by the Welsh Government and the new schemes coming into management.

During the year we commenced arranging the next £6m of new funding as part of our medium-term financial planning. We also maintained the substantial fixed-rate element of our loan portfolio to protect CCHA's longer-term position against the current uncertain economic backdrop.

As a result we declared an operating surplus of £4.9m. We have met all our loan covenants and satisfied the Welsh Government's regulatory financial viability criteria.

Statement of Board of Management responsibilities

The Board of Management is responsible for preparing the financial statements in accordance with applicable law, Financial Reporting Standard FRS102 and the Statement of Recommended Practice for registered social housing providers.

The Co-Operative and Community Benefit Societies Act 2014 and registered social housing legislation require the Board of Management to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Association and of the surplus of the Association for that period. In preparing these financial statements, the Board is required to:

- select suitable accounting policies and apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards and the Statement of Recommended Practice (Accounting by Registered Housing Associations) have been followed, subject to any material departures disclosed, and explained in the financial statements
- prepare the financial statements on a going-concern basis unless it is inappropriate to presume that the Association will continue in business for the foreseeable future

The Board of Management is responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the Association and enable them to ensure that the financial statements comply with the relevant housing association legislation.

The Board of Management is also responsible for maintaining an adequate system of internal control for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the Board members at the date of approval of this report has confirmed that:

- as far as Board members are aware, there is no relevant audit information of which the Association's auditors are unaware; and
- the Board members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Association's auditor is aware of that information

Annual General Meeting

The Annual General Meeting will be held at 6.00pm on the 5th September 2017 at Cardiff County Hall.

At this meeting, the Association's 2016/17 Annual Report will be presented for adoption.

Auditors

A resolution to re-appoint Haines Watts Wales LLP as auditors to Cardiff Community Housing Association Limited will be proposed at the Annual General Meeting.

By Order of the Board of Management
28th June 2017

Independent auditor's report

To the members of Cardiff Community Housing Association Limited for the year ended 31 March 2017

We have audited the financial statements of Cardiff Community Housing Association for the year ended 31 March 2017 which comprise the Statement of Comprehensive Income, the Statement of Financial position, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the housing association's members, as a body, in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014, schedule 1 to the Housing act 1996 and the accounting requirements for social landlords in wales – general determination order 2015. Our audit work has been undertaken so that we might state to the association's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the board and the auditor

As explained more fully in the Statement of Board's Responsibilities [set out on page 33] the board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and

Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We review whether the Board's statement on internal financial control reflects the Association's compliance with the Housing for Wales Circular HFW 02/10 "Internal controls and reporting" and we report whether the statement is not inconsistent with the information of which we are aware from our audit of the financial statements. We are not required to form an opinion on the effectiveness of the Association's corporate governance procedures or its internal financial control.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the association's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the board; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Internal Control

In our opinion, with respect to the Board's statement on internal financial control:

- the Board has provided the disclosures required by the Circular and the statement is not inconsistent with the information of which we are aware from our audit work on the financial statements

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the association's affairs as at 31 March 2017 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with the Co-operative and Community Benefit Societies Act 2014, schedule 1 to the Housing Act 1996 and the Accounting Requirements for Social Landlords Registered in Wales - General Determination 2015

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- a satisfactory system of control over transactions has not been maintained; or
- the association has not kept proper accounting records;
- the financial statements are not in agreement with the books of account; or
- we have not received all the information and explanations we need for our audit

Haines Watts Wales LLP

Statutory Auditor

7 Neptune Court

Vanguard Way

Cardiff

CF24 5PJ

27th July 2017

Statement of comprehensive income

For the year ended 31 March 2017

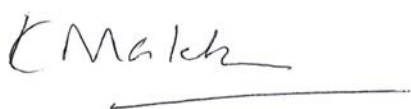
	Note	2017 £'000	2016 £'000
Turnover	2	18,320	17,608
Operating expenditure		(13,411)	(13,611)
Operating surplus		4,909	3,997
Surplus on disposal of property, plant and equipment	3	104	361
Interest receivable	5	13	47
Interest and financing costs	4	(1,996)	(1,975)
Pension deficit contributions		-	(841)
Surplus for the year		3,030	1,589
Unrealised surplus on revaluation of investment properties	12	103	193
Actuarial gain/(loss) in respect of pension schemes		-	-
Total comprehensive income for the year		3,133	1,782

Statement of financial position

For the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Fixed assets			
Housing properties	9	167,039	165,297
Fixed asset investments	12	7,214	5,440
Intangible fixed assets	11	160	179
Other property, plant and equipment	10	9,507	8,713
		183,920	179,629
Current assets			
Stock	13	-	114
Debtors	14	1,938	1,359
Investments	15	14,000	-
Cash		3,741	13,671
		19,679	15,144
Current liabilities			
Creditors: amounts falling due within one year	16	(13,430)	(6,393)
Social housing and other government grants: amounts falling due within one year	18	(1,446)	(1,355)
Net current assets		4,803	7,396
Total assets less current liabilities		188,723	187,025
Non-current liabilities			
Creditors: amounts falling due after more than one year	17	(64,269)	(68,561)
Social housing and other government grants: amounts falling due after more than one year	18	(94,839)	(91,652)
Provisions for liabilities	19	(171)	(288)
Pension past service cost		(2,173)	(2,386)
Total Net assets		27,271	24,138
Capital and reserves			
Share capital		-	-
Revenue reserve		27,228	24,095
Restricted reserve		43	43
Total reserves		27,271	24,138

The financial statements of Cardiff Community Housing Association Limited were approved by the Board of Management on the 28th June 2017 and signed on its behalf by:



Ms K Malekin - Chair



Mr G Kenning - Treasurer



Mr K Protheroe - Secretary

Statement of changes to reserves

For the year ended 31 March 2017

	Revenue reserve £'000	Designated reserve	Restricted reserve £'000	Total £'000
At 1 April 2016	24,095	-	43	24,138
Surplus for the year	3,030	-	-	3,030
Unrealised surplus on revaluation of housing properties	103	-	-	103
At 31 March 2017	27,228	-	43	27,271

Statement of cash flows

For the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Net cash generated from operating activities	22	5,690	4,953
Cash flows from investing activities			
Purchase of property, plant and equipment		(7,071)	(11,455)
Purchase of investment property		-	-
Proceeds from sale of property, plant and equipment		-	2,069
Proceeds from sale of investment property		-	-
Grants received		9,262	3,419
Interest received		13	47
Net cash flows from investing activities		2,204	(5,920)
Cash flows from financing activities			
Interest paid		(1,996)	(1,975)
New loans		-	7,500
Repayments of borrowings		(1,828)	(1,495)
Withdrawal from deposits		-	6,000
Net cash flows from financing activities		(3,824)	10,030
Net increase in cash and cash equivalents		4,070	9,063
Cash and cash equivalents at 1 April		13,671	4,608
Cash and cash equivalents at 31 March		17,741	13,671

Statement of free cash

For the year ended 31 March 2017

	Note	2017 £'000	2016 £'000
Net cash generated from operating activities:	22	5,690	4,953
Cash flows from investing activities:			
Interest paid		(1,996)	(1,975)
Interest received		13	47
		(1,983)	(1,928)
Adjustments for existing properties:			
Component replacements		(1,191)	(765)
Component replacement grant received		359	335
Purchase of other replacement fixed assets		(211)	(304)
		(1,043)	(734)
Free cash generated before loan repayments		2,664	2,291
Repayments of borrowings		(1,828)	(1,495)
Adjustment for revolving credit		-	-
Free cash generated after loan repayments		836	796

Notes to the financial statements

Legal status

The Association is registered under the Co-Operative and Community Benefit Societies Act 2014 and is a registered social landlord. The Association has adopted charitable rules.

Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

General information and basis of accounting

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and comply with the Statement of Recommended Practice for registered social housing providers 2014 (SORP), the Housing and Regeneration Act 2008 and the Accounting Requirements for Registered Social Landlords General Determination (Wales) 2015. Cardiff Community Housing Association is a public benefit entity, as defined in FRS 102 and applies the relevant paragraphs prefixed 'PBE' in FRS 102.

Property, plant and equipment - housing properties

Housing properties are stated at cost less depreciation less accumulated depreciation and accumulated impairment losses. Cost includes the cost of acquiring land and buildings, directly attributable development costs and borrowing costs directly attributable to the construction of new housing properties during the development. Capitalisation ceases when substantially all the activities that are necessary

to get the asset ready for use are complete.

Depreciation is charged so as to write down the net book value of housing properties to their estimated residual value, on a straight line basis, over their useful economic lives. Freehold land is not depreciated.

Major components

Major components of housing properties, which have significantly different patterns of consumption of economic benefits, are treated as separate assets and depreciated over their expected useful economic lives at the following annual rates:

Structure -	new house	150 years
Structure -	new flat	100 years
Structure -	refurbished house	100 years
Structure -	refurbished flat	50 years
Roofs		65 years
Doors and windows		30 years
Kitchens		30 years
Bathrooms		27 years
Boilers		15 years
Boiler plant		25 years
Heating systems		15 years
Lifts		25 years

Properties held on long leases are depreciated over their estimated useful economic lives or the lease duration if shorter.

Improvements

Where there are improvements to housing properties that are expected to provide incremental future benefits, these are capitalised and added to the carrying amount of the property. Any works to housing properties which do not replace a component or result in an incremental future benefit are charged as expenditure in surplus or deficit in the Statement of Comprehensive Income.

Leaseholders

Where the rights and obligations for improving a housing property reside with the leaseholder or tenant, any works to improve such properties incurred by the Association is recharged to the leaseholder and recognised in surplus or deficit in the Statement of Comprehensive Income along with the corresponding income from the leaseholder or tenant.

Non-housing property, plant and equipment

Non-housing property, plant and equipment is stated at historic cost less accumulated depreciation and any provision for impairment. Depreciation is provided on all non-housing property, plant and equipment, other than investment properties and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset, on a reducing balance for vehicles and a straight line basis for all other assets, over its expected useful life, as follows:

Freehold offices	50 years
Leasehold land and buildings	50 years
Furniture, fixtures & fittings	10 years
Telephone system	4 - 10 years
Vehicles	4 years
Computer equipment	4 - 6 years

Investment properties

The classification of properties as investment property or property plant and equipment is based upon the intended use of the property. Properties held to earn commercial rentals or for capital appreciation or both are classified as investment properties. Properties that are used for administrative purposes or that are held for the provision of social housing are treated as property plant and equipment. Mixed use property is separated between investment property and property, plant and equipment.

Land is accounted for based on its intended use. Where land is acquired speculatively with

the intention of generating a capital gain and/or a commercial rental return it is accounted for as investment property. Where land is acquired for use in the provision of social housing or for a social benefit it is accounted for as property, plant and equipment.

Investment properties are measured at fair value annually with any change recognised in surplus or deficit in the Statement of Comprehensive Income.

Intangible assets

Intangible assets are stated at historic cost or valuation, less accumulated amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life, as follows:

Computer software 3 - 6 years

Impairment of social housing properties

Properties held for their social benefit are not held solely for the cash inflows they generate and are held for their service potential.

An assessment is made at each reporting date as to whether an indicator of impairment exists. If such an indicator exists, an impairment assessment is carried out and an estimate of the recoverable amount of the asset is made. Where the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised in surplus or deficit in the Statement of Comprehensive Income. The recoverable amount of an asset is the higher of its value in use and fair value less costs to sell. Where assets are held for their service potential, value in use is determined by the present value of the asset's remaining service potential plus the net amount expected to be received from its disposal. Depreciated replacement cost is taken as a suitable measurement model.

An impairment loss is reversed if the reasons for the impairment loss have ceased to apply and included in surplus or deficit in the Statement of Comprehensive Income.

Social Housing Grant and other Government grants

Where grants are received from government agencies such as the Welsh Government, local authorities, devolved government agencies, health authorities and the European Commission which meet the definition of government grants they are recognised when there is reasonable assurance that the conditions attached to them will be complied with and that the grant will be received.

Government grants are recognised using the accrual model and are classified either as a grant relating to revenue or a grant relating to assets. Grants relating to revenue are recognised in income on a systematic basis over the period in which related costs for which the grant is intended to compensate are recognised. Where a grant is receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support with no future related costs, it is recognised as revenue in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Grants received for housing properties are recognised in income over the expected useful life of the components. Where a grant is received specifically for components of a housing property, the grant is recognised in income over the expected useful life of the component.

Grants received from non-government sources are recognised as revenue using the performance model.

Government grants are recognised as revenue when the grant proceeds are received or receivable. Where a grant imposes specified future performance-related conditions it is

recognised as revenue when the performance-related conditions are met. A grant received before the revenue recognition criteria are satisfied is recognised as a liability. Where government grant is provided for the construction of housing properties within a specific scheme, then the performance related condition is met when the construction of the housing properties is complete.

Donation or acquisition of land or other asset at below market value

Where a donation of land and/or other assets is received or land and/or other assets are acquired at below market value from a government source, this is accounted for as a non-monetary government grant. The difference between the fair value of the asset donated or acquired and the consideration paid for the asset is recognised as a government grant and included in the Statement of Financial Position as a liability.

Where a donation of land and/or other assets is received or acquisitions of land and/or other assets at below their market value from a third party that does not meet the definition of a government source the transaction is recognised as an asset in the Statement of Financial Position at fair value, taking account of any restrictions on the use of the asset and income equivalent to the difference between any amounts paid or payable for the asset and the fair value of the asset is recognised in surplus or deficit in the Statement of Comprehensive Income as a donation when future performance-related conditions are met.

Housing Finance Grant

Housing Finance Grant (HFG) is paid by the Welsh Government towards the costs of housing assets over a period of 30 years to subsidise the capital and interest costs for the provision of affordable housing. The net present value of the HFG receivable over the agreed payment term is recognised as a capital grant and a deferred debtor.

Upon receipt of the grant payments, the debtor decreases by the capital element and the difference between this and the amount of grant received is credited to surplus or deficit in the Statement of Comprehensive Income as a contribution towards the financing cost of that scheme. The discount rate used for the net present value calculations is the same rate that applies to the associated borrowing to fund the housing assets.

The capital grant element of HFG previously received is deemed to be repayable upon disposal of a related housing asset. This is treated as Recycled Capital Grant in the Recycled Capital Grant Fund and included in the Statement of Financial Position as a creditor.

Recycling of grants

Where there is a requirement to either repay or recycle a grant received for an asset that has been disposed of, a provision is included in the Statement of Financial Position to recognise this obligation as a liability. When approval is received from the funding body to use the grant for a specific development, the amount previously recognised as a provision for the recycling of the grant is reclassified as a creditor in the Statement of Financial Position.

For shared ownership staircasing sales, when full staircasing has not taken place, the recycling of the grant may be deferred if the net sales proceeds are insufficient to meet the grant obligation relating to the disposal and is not to be recognised as a provision. On subsequent staircasing sales, the requirement to recycle the grant becomes an obligation if sufficient sales proceeds are generated to meet the obligation and a provision is recognised at this point. On disposal of an asset for which government grant was received, if there is no obligation to repay the grant, any unamortised grant remaining within liabilities in the Statement of Financial Position related to this asset is derecognised as a liability and recognised as revenue in surplus or deficit in the Statement of Comprehensive Income.

Restricted reserves

Where reserves are subject to an external restriction they are separately recognised within reserves as a restricted reserve. Revenue and expenditure is included in surplus or deficit in the Statement of Comprehensive Income and a transfer is made from the general reserve to the restricted reserve.

Leased assets

At inception the Association assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

Finance leased assets

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

Finance leases are capitalised at commencement of the lease as assets at the fair value of the leased asset or, if lower, the present value of the minimum lease payments calculated using the interest rate implicit in the lease.

Assets are depreciated over the shorter of the lease term and the estimated useful life of the asset. Assets are assessed for impairment at each reporting date.

The capital element of lease obligations is recorded as a liability on inception of the arrangement. Lease payments are apportioned between capital repayment and finance charge, using the effective interest rate method, to produce a constant rate of charge on the balance of the capital repayments outstanding.

Operating leased assets

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases.

Payments under operating leases are charged to surplus or deficit in the Statement of Comprehensive Income on a straight-line basis over the period of the lease.

Properties for outright sale

Properties developed for outright sale and land held for sale are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes materials, direct labour and an attributable proportion of overheads based on normal levels of activity.

Interest payable

Borrowing costs are classified as interest and other costs incurred in connection with the borrowing of funds. Borrowing costs are calculated using the effective interest rate, which is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument and is determined on the basis of the carrying amount of the financial liability at initial recognition. Under the effective interest method, the amortised cost of a financial liability is the present value of future cash payments discounted at the effective interest rate and the interest expense in a period equals the carrying amount of the financial liability at the beginning of a period multiplied by the effective interest rate for the period.

Pensions

Multi-employer defined benefit pension scheme – Social Housing Pension Scheme

The Association participates in an industry wide multi-employer defined benefit pension scheme where the scheme assets and liabilities cannot be separately identified for each employer. This is accounted for as a defined contribution

scheme as there is insufficient information available to account for the scheme as defined benefit. For this multi-employer scheme, there is a contractual agreement between the scheme and the Association that determines how the deficit will be funded and a liability is recognised in the Statement of Financial Position and the resulting expense in surplus or deficit in the Statement of Comprehensive Income for the present value of the contributions payable that arise from the agreement to the extent that they relate to the deficit.

Defined contribution scheme

The Association participates in a defined contribution scheme where the amount charged to surplus or deficit in the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the Statement of Financial Position.

Turnover

Turnover represents rent and service charges receivable (net of rent and service charge losses from voids) and disposal proceeds of current assets such as properties developed for outright sale or shared ownership first tranche sales at completion together with revenue grants from local authorities, Welsh Government, other public sector bodies and charitable fees and donations. Service charge income is recognised when expenditure is incurred as this is considered to be the point at which the service has been performed and the revenue recognition criteria met.

Supported housing and other managing agents

Where the Association has ownership of a supported housing or other scheme but also has an agreement with a third party to manage the scheme (including Supporting People funded schemes or services), where there has been a substantial transfer of the risks and benefits attached to the scheme to the third party, any scheme revenue and expenditure is excluded from these financial statements.

Shared ownership property sales

Shared ownership properties, including those under construction, are split between non-current assets and current assets. The split is determined by the percentage of the property to be sold under the first tranche disposal which is shown on initial recognition as a current asset, with the remainder classified as a non-current asset within property plant and equipment. Where this would result in a surplus on the disposal of the current asset that would exceed the anticipated overall surplus, the surplus on disposal of the first tranche is limited to the overall surplus by adjusting the costs allocated to current or non-current assets.

Proceeds from first tranche disposals are accounted for as turnover in the Statement of Comprehensive Income of the period in which the disposal occurs and the cost of sale is transferred from current assets to operating costs. Proceeds from subsequent tranche sales are treated as disposals of fixed assets.

Investments

Investments that are publicly traded or whose fair value can be measured reliably are measured at fair value with changes in fair value recognised in surplus or deficit in the Statement of Comprehensive Income. Other investments are measured at amortised cost less impairment.

Service charge sinking funds and service costs

Unutilised contributions to service charge sinking funds and over-recovery of service costs which are repayable to tenants or leaseholders or are intended to be reflected in reductions to future service charge contributions are recognised as a liability in the Statement of Financial Position. The amount included in liabilities in respect of service charge sinking funds includes interest credited to the fund. Where there has been an under-recovery of leaseholders' or tenants' variable service charges and recovery of the outstanding balance is virtually certain, the balance is recognised in the Statement of Financial Position as a trade receivable. Debit and credit balances on individual schemes are not aggregated as there is no right of set-off.

Financial instruments

Financial assets and financial liabilities are recognised when the Association becomes a party to the contractual provisions of the instrument.

Financial assets carried at amortised cost

Financial assets carried at amortised cost comprise rent arrears, trade and other receivables and cash and cash equivalents. Financial assets are initially recognised at fair value plus directly attributable transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

If there is objective evidence that there is an impairment loss, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced accordingly.

A financial asset is derecognised when the contractual rights to the cash flows expire, or when the financial asset and all substantial risks and reward are transferred.

If an arrangement constitutes a financing transaction, the financial asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial liabilities carried at amortised cost

These financial liabilities include trade and other payables and interest bearing loans and borrowings.

Non-current debt instruments which meet the necessary conditions in FRS 102, are initially recognised at fair value adjusted for any directly attributable transaction cost and subsequently measured at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance costs in the Statement of Comprehensive Income. Discounting is omitted where the effect of discounting is immaterial.

A financial liability is derecognised only when the contractual obligation is extinguished, that is, when the obligation is discharged, cancelled or expires.

Financing transactions

Public benefit entity concessionary loans

Where loans are made or received between the Association and another party at below the prevailing market rate of interest that are not repayable on demand and are for the purposes to further the objectives of the public benefit entity or public benefit entity parent, these loans are treated as concessionary loans and are recognised in the Statement of Financial Position at the amount paid or received and the carrying amount adjusted to reflect any accrued

interest payable or receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

Significant management judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Significant management judgements

The following are management judgements in applying the accounting policies of the Association that have the most significant effect on the amounts recognised in the financial statements.

Impairment of social housing properties

The Association have to make an assessment as to whether an indicator of impairment exists. In making the judgement, management considered the detailed criteria set out in the SORP.

Estimation uncertainty

The Association makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Fair value measurement

Management uses valuation techniques to determine the fair value of assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management base the assumptions on observable data as far as possible but this is not always available. In that case, management uses the best information available. Estimated fair values may vary from the actual process that would be achievable in an arm's length transaction at the reporting date.

Provisions

Provision is made for dilapidations, aborted development schemes and redundancy costs. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

Pension scheme

The Association has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the Statement of Financial Position. The assumptions reflect historical experience and current trends.

2. Particulars of turnover, operating costs and operating surplus

	Turnover £'000	2017 Operating costs £'000	Operating surplus £'000
Social housing lettings	17,009	(12,059)	4,950
Other social housing activities			
1 st tranche LCHO property sales	-	-	-
Revenue grants	1,206	(1,286)	(80)
Other	-	-	-
Non - social housing activities	105	(66)	39
Total	18,320	(13,411)	4,909

	Turnover £'000	2016 Operating costs £'000	Operating surplus £'000
Social housing lettings	15,957	(11,934)	4,023
Other social housing activities			
1 st tranche property sales	-	-	-
Revenue grants	1,411	(1,411)	-
Other	131	(157)	(26)
Non - social housing activities	109	(109)	-
Total	17,608	(13,611)	3,997

Particulars of income and expenditure from social housing lettings

	General needs and sheltered housing £'000	Support- ed housing £'000	Other social housing letting income £'000	2017 Total £'000	2016 Total £'000
Income					
Rents receivable	13,606	-	315	13,921	13,084
Service charge income	1,369	-	34	1,403	1,247
Income from support services	-	174	-	174	182
Amortised government grant	1,511	-	-	1,511	1,444
Government grants taken to income	-	-	-	-	-
Turnover from social housing lettings	16,486	174	349	17,009	15,957
Expenditure					
Service charge costs	(1,369)	-	(34)	(1,403)	(1,184)
Management	(4,296)	(235)	(182)	(4,713)	(5,274)
Maintenance	(3,414)	-	-	(3,414)	(3,082)
Bad debts	(176)	-	41	(135)	(154)
Depreciation of housing properties	(2,394)	-	-	(2,394)	(2,240)
Operating costs	(11,649)	(235)	(175)	(12,059)	(11,934)
Operating surplus social housing lettings	4,837	(61)	174	4,950	4,023
Void losses	194	-	-	194	140

3. Surplus on disposal of property, plant and equipment

	2017 £'000	2016 £'000
Sale of property, plant & equipment		
Sale	449	269
Cost of sale	(345)	(270)
Land held no longer for development		
Sale	-	1,800
Cost of sale	-	(1,438)
Surplus on disposal	104	361

4. Interest and finance costs

	2017 £'000	2016 £'000
Bank loans and overdrafts	2,121	2,016
Pension interest charges	53	38
	2,174	2,054
Borrowing costs capitalised	(178)	(79)
	1,996	1,975

Borrowing costs have been capitalised based on a capitalisation rate of 3.66% (2016: 2.95%) which is the weighted average of rates applicable to the Association's general borrowings outstanding during the year.

5. Other finance income

	2017 £'000	2016 £'000
Bank interest receivable	13	47

6. Operating surplus

The operating surplus before taxation is stated after charging/(crediting):

	2017 £'000	2016 £'000
Housing properties		
Depreciation	2,394	2,240
Amortisation of grant	(1,455)	(1,411)
Non-housing properties		
Depreciation	468	347
Amortisation of grant	(56)	(33)
Audit fees - statutory audit	18	16
Operating lease rentals:		
Land & buildings	18	14
Other assets	5	23

7. Staff costs

	2017 £'000	2016 £'000
Wages and salaries	2,961	2,853
Social security costs	299	224
Pension costs	97	135
Pension past service deficit	71	824
	3,428	4,036

The full time equivalent number of staff who received emoluments, including pension contribution, in excess of £50,000 were as shown below.

Salary Band (£)	2017 Number	2016 Number
50,000 – 59,999	1	1
60,000 – 69,999	-	-
70,000 – 79,999	3	4
80,000 – 89,999	1	-
90,000 – 99,999	-	-
100,000 – 109,999	1	1
	6	6

The average number of staff (including executive officers) employed during the year was:

	2017 Number	2016 Number
Actual	103	96
Full time equivalent	100	91

8. Directors' remuneration and transactions

Key management personnel remuneration

	2017 £'000	2016 £'000
Directors who are executive staff members		
Wages and salaries	385	366
Social security costs	48	39
Other pension costs	11	22
Estimated money value of any other benefits otherwise than in cash	6	6
Board members		
Wages and salaries	-	-
Social security costs	-	-
Other pension costs	-	-
	450	433

Directors are defined as the members of the Senior Management Team and the Chief Executive.

	2017 £'000	2016 £'000
Remuneration of the highest paid director, excluding pension contributions:		
Emoluments	98	93

The Chief Executive is an ordinary member of the pension scheme. No enhanced or special terms apply.

9. Tangible fixed assets - housing properties

	Completed properties £'000	Under construction £'000	Total £'000
Cost or valuation			
At 1 April 2016	187,008	9,828	196,836
Additions	1,191	5,470	6,661
Completed properties acquired	6,731	(6,731)	-
Disposals	(234)	-	(234)
Transfers	(728)	(1,797)	(2,525)
At 31 March 2017	193,968	6,770	200,738
Depreciation			
At 1 April 2016	31,539	-	31,539
Charge for the year	2,394	-	2,394
Transfers	-	-	-
Eliminated on disposals	(234)	-	(234)
At 31 March 2017	33,699	-	33,699
Net book value			
At 31 March 2017	160,269	6,770	167,039
At 31 March 2016	155,469	9,828	165,297

10. Other property, plant and equipment

	Freehold £'000	Long/short leasehold £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost or valuation					
At 1 April 2016	5,864	2,472	2,088	94	10,518
Additions	-	-	168	-	168
Revaluations	-	-	-	-	-
Disposals	-	-	(6)	-	(6)
Transfers	389	-	631	-	1,020
At 31 March 2017	6,253	2,472	2,881	94	11,700
Depreciation					
At 1 April 2016	417	235	1,089	64	1,805
Charge for the year	108	46	228	7	389
Disposals	-	-	(1)	-	(1)
At 31 March 2017	525	281	1,316	71	2,193
Net book value					
At 31 March 2017	5,728	2,191	1,565	23	9,507
At 31 March 2016	5,447	2,237	999	30	8,713

11. Intangible fixed assets

	2017 £'000	2016 £'000
Cost		
At 1 April	710	645
Additions	60	65
At 31 March	770	710
Depreciation		
At 1 April	531	440
Charge for the year	79	91
At 31 March	610	531
Net book value		
At 31 March	160	179

12. Fixed asset investments

	Commercial properties £'000	LCHO £'000	Properties for sale £'000	Total £'000
At 1 April 2016	2,333	3,107	-	5,440
Additions	-	182	-	182
Disposals	-	(308)	-	(308)
Transfers	-	-	1,797	1,797
Revaluations	73	30	-	103
At 31 March 2017	2,406	3,011	1,797	7,214

The above represents the interest free loans that we have in our Low Cost Home Ownership Scheme.

Commercial properties, which are all freehold, were valued to fair value at 31 March 2017, based on a valuation undertaken by Bruton Knowles, an independent valuer with recent experience in the location and class of the investment property being valued. There are no restrictions on the realisability of investment property.

If land and buildings had not been revalued they would have been included at the following amounts:

	2017			
	Commercial prop- erties £'000	LCHO £'000	Properties for sale £'000	Total £'000
Net book value	2,633	2,989	1,797	7,419

	2016			
	Commercial prop- erties £'000	LCHO £'000	Properties for sale £'000	Total £'000
Net book value	2,633	3,110	-	5,743

13. Stocks

	2017 £'000	2016 £'000
Properties for sale	-	114
Raw materials and consumables	-	-
	-	114

14. Debtors

	2017 £'000	2016 £'000
Amounts falling due within one year:		
Rent arrears:		
Current tenants		
Arrears	695	617
Provision for bad debts	(325)	(256)
	370	361
Former tenants		
Arrears	131	80
Provision for bad debts:	(131)	(80)
	-	-
Recharges		
Arrears	181	657
Provision for bad debts:	(181)	(657)
	-	-
VAT	-	-
Capital financing	-	-
Insurance	187	11
Sundry debtors	1,059	764
Sundry debtors: Provision for bad debts	(75)	(74)
Prepayments and accrued income	397	297
	1,938	1,359

15. Current asset investments

	2017 £'000	2016 £'000
Investments	14,000	-
	14,000	-

16. Creditors - amounts falling due within one year

	2017 £'000	2016 £'000
Loan capital repayments	4,284	1,738
Rents received in advance	314	367
Trade creditors	556	418
Other taxation and social security	247	430
Other creditors	1,411	1,740
Grant in advance	4,905	327
Recycled capital grants	88	88
Accruals and deferred income	1,625	1,285
	13,430	6,393

17. Creditors - amounts falling due after more than one year

	2017 £'000	2016 £'000
Other creditors		
Loans	64,168	68,542
Recycled grant	101	-
Trade creditors	-	19
	64,269	68,561

Housing loans are secured by specific charges on the Association's housing properties. Rates of interest during the year ranged from 0% to 10.87%. The weighted average rate of interest for 2017 was 2.71% (2016: 2.79%). The effective interest rate of interest for 2017 was 3.64% (2016: 3.66%). At 31 March 2017, 73% (2016 73%) of loans bore interest at fixed rates and 27% (2016 27%) at variable rates.

The loans are repayable as follows:

	2017 £'000	2016 £'000
Amounts falling due:		
Within one year or less	4,284	1,738
Between one and two years	2,035	4,312
Between two and five years	9,430	7,373
In five years or more	52,703	56,857
In more than one year	64,168	68,542
Total housing loans	68,452	70,280

	2017 £'000	2016 £'000
Repayable otherwise than by instalments in more than five years	-	-
Repayable by instalments wholly or partly in more than five years	52,703	56,857
Total repayable in more than five years	52,703	56,857

The recycled grant as follows:

	2017 £'000	2016 £'000
Amounts falling due:		
Within one year or less	88	88
Between one and two years	-	-
Between two and five years	101	-
In five years or more	-	-
In more than one year	101	-
Total housing loans	189	88

18. Social Housing and other government grants

	Social housing properties £'000	Under construction £'000	Other tangible fixed assets £'000	Total £'000
Gross grant creditor				
At 1 April 2016	109,499	5,037	4,160	118,696
Property acquisitions	381	4,303	-	4,684
Schemes completed	3,470	(3,470)	-	-
Transferred to OFA	(140)	-	294	154
Transferred to recycled grant disposals	(102)	-	-	(102)
	(4)	-	-	(4)
At 31 March 2017	113,104	5,870	4,454	123,428
Amortisation				
At 1 April 2016	25,554	-	135	25,689
Charge for the year	1,455	-	56	1,511
Disposals	(57)	-	-	(57)
At 31 March 2017	26,952	-	191	27,143
Net grant creditor				
At 31 March 2017	86,152	5,870	4,263	96,285
At 1 April 2016	83,945	5,037	4,025	93,007

	2017 £'000	2016 £'000
Amounts falling due:		
Within one year or less	1,446	1,355
Between one and two years	1,436	1,347
Between two and five years	4,278	3,981
In five years or more	89,125	86,324
In more than one year	94,839	91,652
Total grant creditor	96,285	93,007

19. Provisions

	2017 £'000	2016 £'000
Balance as at 1 April 2016	288	148
Charge in Year	(117)	140
Balance as at 31 March 2017	171	288

20. The Pensions Trust - Social Housing Pension Scheme

Cardiff Community Housing Association Limited all employers, to the scheme as follows: participates in the Social Housing Pension Scheme (the scheme). The scheme is funded and for the financial year end 31 March 2016 was contracted-out of the State Pension Scheme. Since the 1 April 2016 the scheme is now contracted-in to the State Pension Scheme.

CCHA participates in the scheme, a multi-employer scheme which provides benefits to some 500 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the Association to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme; therefore, it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out with an effective date of 30 September 2014. This actuarial valuation was certified on 23 November 2015 and showed assets of £3,123m, liabilities of £4,446m and a deficit of £1,323m. To eliminate this funding shortfall, the trustees and the participating employers have agreed that additional contributions will be paid, in combination from

Deficit contributions

Tier 1 From 1 April 2016 to 30 September 2020:	£40.6m per annum (payable monthly and increasing by 4.7% each year on 1 st April)
Tier 2 From 1 April 2016 to 30 September 2023:	£28.6m per annum (payable monthly and increasing by 4.7% each year on 1 st April)
Tier 3 From 1 April 2016 to 30 September 2026:	£32.7m per annum (payable monthly and increasing by 3.0% each year on 1 st April)
Tier 4 From 1 April 2016 to 30 September 2026:	£31.7m per annum (payable monthly and increasing by 3.0% each year on 1 st April)

The scheme's previous valuation was carried out with an effective date of 30 September 2011; this valuation was certified on 17 December 2012 and showed assets of £2,062m, liabilities of £3,097m and a deficit of £1,035m. To eliminate this funding shortfall, payments consisted of the Tier 1, 2 & 3 deficit contributions.

The scheme is in deficit and as a result the Association has agreed to a deficit funding arrangement, the Association recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	2017 £'000	2016 £'000
Present value of provision at 31 March	2,502	2,701

Reconciliation of opening and closing provisions

	2017 £'000	2016 £'000
Provision at 1 April	2,701	2,077
Unwinding of the discount factor (interest expense)	53	38
Deficit contribution paid	(322)	(236)
Remeasurements - impact of any change in assumptions	71	(17)
Remeasurements - amendments to the contribution schedule	-	839
Provision at 31 March	2,503	2,701

Impact on the Statement of Comprehensive Income

	2017 £'000	2016 £'000
Interest expense	53	38
Remeasurements - impact of any change in assumptions	71	(17)
Remeasurements - amendments to the contribution schedule	-	839
Contributions paid in respect of future service	97	135
Costs recognised in the Statement of Comprehensive Income	221	995

Assumptions

	2017 % per annum	2016 % per annum
Rate of discount	1.33	2.06

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Growth plan

The Association has one employee participating in the Social Housing Pension Trust Growth Plan, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2013 to 31 March 2023:	£13.9m per annum (payable monthly and increasing by 3% each on 1st April)
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Deficit contributions

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2016 to 30 September 2025:	£12.9m per annum (payable monthly and increasing by 3% each on 1st April)
From 1 April 2016 to 30 September 2028:	£54,560 per annum (payable monthly and increasing by 3% each on 1st April)

Deficit contributions

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the Association has agreed to a deficit funding arrangement the Association recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provision

	2017 £'000	2016 £'000
Present value of provision at 31 March	7	8

Reconciliation of opening and closing provisions

	2017 £'000	2016 £'000
Provision at 1 April	8	7
Unwinding of the discount factor (interest expense)	-	-
Deficit contribution paid	(1)	(1)
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	2
Provision at 31 March	7	8

Impact on the Statement of Comprehensive Income

	2017 £'000	2016 £'000
Interest expense	-	-
Remeasurements - impact of any change in assumptions	-	-
Remeasurements - amendments to the contribution schedule	-	2
Contributions paid in respect of future service	-	-
Costs recognised in the Statement of Comprehensive Income	-	2

Assumptions

	2017 % per annum	2016 % per annum
Rate of discount	1.32	2.07

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

Standard Life scheme

CCHA also participates in a defined contribution pension scheme in respect of certain staff members who transferred from Adamsdown Housing Association Limited. The assets of the scheme are held separately from those of the Association in an independently administered fund. The pensions cost charge included an amount of £5,710 (2015-2016: £5,647) which represents contributions payable by the Association to the fund. There were no outstanding or prepaid contributions as of the balance sheet date.

21. Share capital

The shares provide members with the right to vote at general meetings but do not have a right to any dividend or distribution in a winding-up, and are not redeemable.

	2017 £	2016 £
At 1 April	130	141
Issued during the year	6	10
Cancelled during the year	(2)	(21)
At 31 March	134	130

22. Statement of cash flows

	2017 £'000	2016 £'000
Cash flow from operating activities		
Surplus for the year	3,133	1,782
Adjustment for non-cash items:		
Depreciation of property, plant and equipment	2,862	2,496
Amortisation of grant	(1,511)	(1,356)
Decrease / (increase) in inventories	-	-
Decrease / (increase) in debtors	(579)	147
Increase / (decrease) in creditors	(106)	(545)
Increase / (decrease) in provisions	(117)	140
Pension costs less contributions payable	(213)	539
Carrying amount of property, plant & equipment disposals	427	2,169
Impairment loss on property, plant and equipment	-	-
Non Cash movements	(86)	-
(Increase)/decrease in fair value of investment property	(103)	(278)
	574	3,312
Adjustments for investing or financing activities:		
Proceeds from the sale of property, plant and equipment	-	(2,069)
Government grants utilised in the year	-	-
Interest payable	1,996	1,975
Interest received	(13)	(47)
	1,983	(141)
Cash generated by operations	5,690	4,953
Cash and cash equivalents		
Cash at bank and in hand	3,741	13,671
Cash equivalents included in current asset investments	14,000	-
Cash and cash equivalents	17,741	13,671

23. Financial commitments

Capital commitments are as follows:

	2017 £'000	2016 £'000
Contracted for but not provided for	24,185	6,205
Approved by the Board but not contracted for	-	-
Not approved by the Board and not contracted for	18,787	36,826
	42,972	43,031

Financing of future schemes

	£'000
Sales	15,733
Social Housing Grant/Housing Finance Grant	12,562
Loans currently under negotiation	6,000
Future loans	8,677
	42,972

24. Units in management

	Units at 1 April 2016	New Build	Transfers	Sales	Units at 31 March 2017
Owned properties					
General needs housing accommodation	2,747	57	(4)	-	2,800
Housing accommodation at intermediate rent	19	-	3	-	22
Supported housing accommodation	24	-	1	-	25
	2,790	57	-	-	2,847
Management properties					
Low Cost Home Ownership Scheme	91	-	-	(3)	88
Flats under Right to Buy	8	-	-	-	8
	99	-	-	(3)	96
Total	2,889	57	-	(3)	2,943

25. Related party transactions

The Association provided rental accommodation to three tenant Board members during the year and charged rent and service charges to those members on the Association's standard terms.

26. Contingent liabilities

The Association has been notified by the Pensions Trust that the estimated employer debt on withdrawal from the SHPS scheme based on its financial position as at 30 September 2016 was £21,957,000 (2015: £16,230,000).

The Association has a contingent liability with Welsh Government and other government agencies for £27,143,000 representing the amount of social housing and capital grants amortised through the Statement of Comprehensive Income.

Self-evaluation

Our Self-Evaluation 2016/17 (published May 2017)

Until recently Welsh Government required housing associations to regularly carry out a self-evaluation of their effectiveness, by reference to a set of ten Delivery Outcomes. The evaluation was, and is, part of our business planning processes. We originally published our views on how we meet the Delivery Outcomes in September 2016 and in the subsequent six months consulted our Board, staff and tenants.

The table presents the conclusions we reached. It also details our key priorities for improvement, identified with the help of this evaluation, and they are now the focus of our recently published Corporate Strategy 2017-22.

Since commencing this evaluation the Welsh Government introduced a new regulatory process for housing associations, replacing Delivery Outcomes with Performance Standards, which focus upon governance, service delivery and financial management. Associations are still required to complete a self-evaluation, together with a new annual statement of compliance. We used this self-evaluation to complete our statement of compliance and it was on this basis that we were assessed by the Welsh Government in March 2017. Their two-part Regulatory Judgement on CCHA is available on our website. In summary they concluded:

Governance and services: Standard

CCHA... "Identifies new and emerging risks appropriately"

Financial Viability: Standard

CCHA... "Meets viability requirements and has the financial capacity to deal with scenarios appropriately"

Welsh Government (WG) Delivery Outcome	Our view on how we meet the Delivery Outcomes and Welsh Government's expectations	Our key priorities for improvement in 2017/18
<p>We place the people who want to use our services at the heart of our work</p>	<ul style="list-style-type: none"> • As a local community-based HA we have significant contact with our customers via our local office and our community partners such as Communities First and LIFT. • We host Cardiff Accessible Homes, which provides a service, and thus detailed knowledge, in respect of the needs of disabled persons. • We have carried out tenant profiling to collect data on all equalities strands, household and financial information. • We involve tenants in major service changes e.g. reviews of our reactive repairs service and gardening and cleaning contracts. • We consult with tenants in a variety of ways including our Tenants' Service Inspectors, the 100 Club and specific focus groups. Our Corporate Strategy 2016/21 committed us to seek ways to improve the way we find out what our tenants want and tailor our services accordingly. • We have aligned our Corporate Strategy and business framework to focus on five Outcomes, three of which specifically link to tenants and communities. Our Outcomes also cover the requirements of the WG's Delivery Outcomes, ensuring that our corporate planning process is informed by these obligations. • We can be contacted in a host of different ways from our well-used local area office to social media and our website. Using mobile technology enables us to take certain aspects of our service into tenants' homes. Our service standards require prompt response. • We provide a range of written, verbal and digital information to ensure effective communication, notably our Tenants' Handbook, Customer Service Standards documents, and a DVD explaining our services. 	<p>We want to continue to deliver excellent customer-focussed services to our tenants. In the year ahead we will:</p> <ul style="list-style-type: none"> • Continue to improve the ways we find out what our tenants want and tailor our services accordingly, making use of profiling data and information provided by tenants at the 2016 Tenants' Conference. • With our tenants we will look specifically at anti-social behaviour and community regeneration. • Continue the progress we have made in encouraging more tenants to get involved by improving the information we provide, including via social media. • Review our welcome pack and increase awareness of opportunities to get involved. • Develop more consultative groups and focus groups, and strive to move away from too many formal meetings. We will hold our second Annual Tenants' Conference following the success of last year's. • Consider how we can improve the links between tenant participation and our decision-making processes.

	<ul style="list-style-type: none"> • Pre and post tenancy interviews ensure customers are aware of our services. • Through publications such as 'Closing the Loop' and 'You Said, We Did' we try to respond constructively to customers' opinions. • Up to one-third of our Board consists of tenants and we consult and involve tenants as noted earlier. In 2015 the senior team carried out interviews with tenant shareholders in their homes, which we repeated in 2016. • We have an established complaints process and we report its use to tenants. We co-operate fully with the Ombudsman when required. We deal promptly with complaints received from local politicians on behalf of constituents. 	
<p>We live public sector values, by conducting our affairs with honesty and integrity, and demonstrate good governance through our behaviours</p>	<ul style="list-style-type: none"> • Through publications such as the aforementioned 'Closing the Loop', and our Annual Review Snapshot and Report we publish information on our services and performance. Our Annual Review, financial report and evaluation is available to all tenants. Our Corporate Strategy is available to all tenants and is summarised in our tenants' newsletter, CHAT. • We work in some of Wales's most ethnically diverse areas and have directed considerable investment towards such areas, notably the Loudoun Square area of Butetown, in respect of both homes and community facilities. • We treat the Welsh and English languages on the basis of equality and have a well-established Welsh Language Policy. Our new website is available in English and Welsh. • We have made considerable investment in local communities by developing and running community facilities in Adamsdown, Tremorfa, Trowbridge and Butetown. The centres are the focus for many community services and partnerships. Our Corporate Strategy 2016/21 committed us to seek further ways to use our facilities to encourage local people to 	<p>We work in some of Cardiff's least well off communities. By working in partnership, we want to help develop communities where people are proud to live. In the year ahead we will:</p> <ul style="list-style-type: none"> • Continue to use our local community facilities to encourage and facilitate community activities and services. • Continue to work with, and support, our community partners particularly the Communities First STAR project (and any successor, given Welsh Government's recent decision to phase out this project by March 2018 and introduce a new approach focussed on employment, early years and empowerment), Communities for Work, and LIFT. The projects' priorities will be improving communities, providing jobs, training and volunteering opportunities. • Develop our own scheme to help people into work and training and

	<p>get involved in improving their communities. The outputs were positive and detailed in our Annual Review 2016.</p> <ul style="list-style-type: none"> • With STAR Communities First and LIFT, both of which we host, we work in direct partnership on a range of social, environmental and economic projects. Our Corporate Strategy 2016/21 committed us to further work with both projects to improve communities, provide jobs and training and volunteering opportunities. The outputs were positive and detailed in our Annual Review 2016. 	<p>encourage volunteering.</p>
<p>We make sure our purpose is clear and we achieve what we set out to do</p>	<ul style="list-style-type: none"> • We are an independent organisation and updated our Rules in 2016 - our purpose, to assist those in housing need, remains unchanged. • We have well-established leadership structures, centred upon our five Outcomes, and our team is directly accountable to our Board. • Ultimate control of CCHA rests with our Board, which meets regularly to ensure the organisation's strategic direction delivers the Association's objectives: that CCHA is financially prudent and manages risk effectively. • We try to ensure that our purpose is clear to all staff and that they have the resources they need to do their jobs. The recent restructuring and expansion of our housing team (to ensure our preparedness for Universal Credit) and our current Customer Culture project, a Corporate Strategy 2016/21 requirement, are examples of this commitment. • Whilst we have tackled value for money in respect of our reactive repair service, cleaning and maintenance services, and our asset management strategy (a current Corporate Strategy 2016/21 objective) we recognise that there is further work required. It is our intention to publish our first value for money report to tenants in September 2017. 	<p>The importance of our team to our customers, and thus to our business, cannot be over-estimated. In the year ahead we will:</p> <ul style="list-style-type: none"> • Continue to develop our customer culture and to build on the progress we made in 2016/17. • Review our approach to reward and recognition to ensure our staff feel valued and motivated. • Finalise our approach to talent management and thus our commitment to the development of our team and its effectiveness. • Implement the recommendations made in our Investors in People Silver standard accreditation. • Continue to develop our approach to equality and diversity. We will review our equality and diversity strategy and work towards obtaining the Tai Pawb QED mark.

<p>We are a financially sound and viable business</p>	<ul style="list-style-type: none"> • This report contains detailed information on our financial position and demonstrates that we are adequately resourced. Our aim is to ensure that CCHA operates from a sound financial base so that we can fulfil our responsibilities to our current service users, our communities, deliver new homes for our future tenants, whilst being a very good employer. • Our WG thirty-year financial forecast demonstrates that we are well-placed to meet our current and future obligations. Our assumptions that underpin the forecast are stress-tested every year by our financial advisors and our Board. • We have robust financial management processes and meet all our financial obligations. Our Board receives full financial information every month to allow it to carefully scrutinise our affairs. We only borrow money to invest in the new e.g. homes; our borrowings are not used to sustain the day-day running of our business. • Our risk management processes are well established and our main risks are reviewed on a monthly basis by our team and Board and on a quarterly basis by our Audit Committee. • As this report demonstrates our financial affairs are a matter of public record and we have thorough Financial Regulations to ensure the accountability of both the organisation and its staff. We have clear policies/procedures in respect of matters such as tendering, fraud and money laundering and whistle-blowing. 	<p>We cannot deliver our plans unless our business is financially strong and efficient and ever mindful of the health and safety of our customers and team. In the year ahead we will:</p> <ul style="list-style-type: none"> • Secure new funding to continue to develop new homes. • Continue to develop our approach to value for money to assist our understanding of our business, the affordability of our rents, and the services we provide. • Develop a balanced picture of value for money by comparing ourselves to other housing associations. • Publish our first Value for Money Statement for our tenants and partners. • Continue to enhance our new corporate performance management and risk systems, introduced during 2016/17. • Complete our governance improvement plan for the year.
<p>We engage with others to enhance and maximise outcomes for our service users and the community</p>	<ul style="list-style-type: none"> • We work in partnerships and collaborative alliances with a range of organisations, notably Communities First, LIFT, Cardiff Accessible Homes, a range of support providers in the statutory and voluntary sector, housing and services for the homeless with Temp2Perm, the Police and private sector partners who deliver, for instance, our repairs and estate services. • We carried out a stakeholder survey in 2016 to establish what our partners think about us and to seek ways to improve. 	<p>Please see the Outcome above entitled:</p> <p>We live public sector values, by conducting our affairs with honesty and integrity, and demonstrate good governance through our behaviours.</p>

	<p>The results were very positive.</p> <ul style="list-style-type: none"> • Cardiff Council is one of our key strategic partners with whom we work closely to deliver specific objectives and to assist with its strategic housing role. In recent years we have delivered major regeneration projects in Trowbridge and Loudoun Square, Butetown and are currently leading the regeneration of the Maelfa. We met our lettings' targets set with the Council. 	
<p>We build and renovate homes to a good quality</p>	<ul style="list-style-type: none"> • We have a financially sustainable, risk-appraised, current development programme, and pipeline, focussed on housing need, which is delivering high-quality new homes to the communities in which we work. • Our Corporate Strategy 2016/21 committed us to build 50 new homes per year and we are currently achieving this target. 	<p>Providing new homes for those in housing need will be a key commitment in 2017/18. In the year ahead we will:</p> <ul style="list-style-type: none"> • Commence development of a major new scheme at Schooner Way, Atlantic Wharf, which will provide 117 new homes for rent and sale. • In partnership with Cardiff Council make real progress with the regeneration of the former Maelfa shopping centre. The scheme once completed will consist of 38 apartments, 16 houses at affordable rents, 9 shops operated by Cardiff Council, public open space, public car park, new infrastructure works and 57 homes for sale by Persimmon.
<p>We let homes in a fair, transparent and effective way</p>	<ul style="list-style-type: none"> • We devote considerable resources to the management and maintenance of our homes and refurbish properties where it is appropriate to do so, both financially and in respect of housing demand. • Demand for our homes remains high and we have no major lettings issues. • Thanks to our partnership with Cardiff Accessible Homes our adapted properties are let to those who need them the most. • We had 10 empty homes which required major repairs and 4 which are 	

	<p>in the process of being sold as of 31st March 2016.</p> <ul style="list-style-type: none"> • We work with Cardiff Council on a range of homeless persons initiatives and provide both temporary and permanent housing solutions. In partnership with Temp2Perm we directly operate our own homelessness leasing scheme. • We let our homes effectively as part of the Cardiff Common Register and monitor the fairness of our lettings e.g. the ethnic make-up of the homes we let. We meet our targets agreed with Cardiff Council in respect of lettings to homeless persons. Our Community Living initiative, which applies to certain schemes, has the specific purpose of sustaining effective housing communities. • Our homes are relet to an agreed standard and we achieve reasonable standards of satisfaction from new tenants. Our post-tenancy visits to new tenants are intended to assist the quick resolution of any immediate matters. 	
<p>We manage our homes effectively</p>	<ul style="list-style-type: none"> • Almost all the tenancies we issue are assured tenancies, which provide high levels of security, and detail clearly the rights and duties of the tenant and CCHA. The agreement is supplemented by our Tenants' Handbook and Service Standards. • We provide personal support to sustain tenancies and to help those who may need assistance to successfully live independently. Support is provided either directly by us, or with our support partners appointed for this purpose. • Whilst our rents increased this year they are similar to those charged by other housing associations and lower than some of our peers. • We have recently completed a review of our service charge administration to improve accountability and transparency. We involved tenants in our recent review of cleaning and gardening services. 	<p>In the year ahead we will:</p> <ul style="list-style-type: none"> • Concentrate our efforts on automating our housing processes to improve efficiency and enable our team to work more effectively. • Introduce and publicise payments by BACS. • Improve our online services, notably in relation to 'My Account'. • Enhance our telephone service and make more effective use of texting services.

	<ul style="list-style-type: none"> • We have well established rent arrears processes, which we are currently in the process of enhancing further. We seek always to try and resolve problems by providing appropriate advice and assistance. Despite the changes to welfare benefits, our arrears have not increased significantly, while possession actions have fallen sharply. Our Corporate Strategy 2016/21 committed us to improving our service so that it is as easy as possible to pay rent, and to provide further support to those who need help, or debt advice as we prepare for the advent of Universal Credit. • Although we work in some of Cardiff's most disadvantaged communities, satisfaction with the areas where we work amongst our tenants remains high. We attempt to keep our estates clean and tidy and, as noted earlier, have made significant investments in community centres to support our communities. 	
<p>We repair homes in an efficient, timely and cost-effective way</p>	<ul style="list-style-type: none"> • Our homes currently comply with the Welsh Housing Quality Standard. This year's programme of improvements was fully completed. • As noted earlier our Corporate Strategy 2016/21 committed us to a full-scale review of our asset management strategy, following a stock condition survey last year, to improve our planning of the programme and information to tenants. We have made good progress and will complete the project in 2017/18. • We have recently renewed our reactive repairs contract with Morgan Sindall following a review last year. Tenant satisfaction has increased steadily through the year, reaching 90% in May 2016 and has remained around this level subsequently. • Our Corporate Strategy 2016/21 committed us to making further improvements to our day-to-day services in partnership with our Tenants' Service Inspectors. 	<p>For our tenants, repairs and maintenance is probably the most important service we provide. In the year ahead we will:</p> <ul style="list-style-type: none"> • Complete and implement our asset management strategy to improve our approach to planned maintenance and the information we provide to tenants. • Review our repairs appointments system. • Review our management/information relating to complicated repairs that cannot be carried out straight away .

<p>We provide fair and efficient services to owners</p>	<ul style="list-style-type: none">• We participate in the Right to Buy and Right to Acquire schemes.• Our leaseholders are few in numbers; nevertheless, we provide them with the services expected of us e.g. planned maintenance and estate services, and are accountable to them in respect of the charges we make.	
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ccha

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