



Annual  
Report  
2019

**abbeyfield**  
scotland



## Awards

We are delighted to report that the team at ASL house (Esplanade) Greenock are winners of a regional gold award in the EAC Housing for Older People National Awards.

The ceremony in Manchester was hosted by TV presenter Jennie Bond and attended by House Supervisor Julie Shaw and our Area Supervisor Linda Murdoch. We also won a silver award in the same category for our house in Stonehaven and our Chief Executive, Karen Barr, presented staff and residents with their award.

These achievements – and the continuing focus on the best interests of our residents – are particularly important in a year that has seen the Board welcome new members who, along with the management team of ASL face a number of challenges in the coming year.



# Message from

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**Amid the continuing political debate over the UK's place in the world, widespread concern about the provision of care services in the UK and an increasingly challenging regulatory environment, I am proud to confirm that Abbeyfield Scotland Ltd (ASL) continues to deliver successfully on its primary commitment, the care and welfare of our residents in ASL houses across the country.**

I take particular pride in the work of ASL's dedicated and tireless employees whose efforts ensure we are held in the highest regard by the Care Inspectorate for the provision of housing support services.

Our continuing focus on the best interests of our residents has been particularly important in a year that has seen the Board and management team of ASL face a number of significant challenges.

The Board of ASL has also reconfigured the role and structure of our Aberdeen subsidiary, Crandeen. This business was established in 2017 to offer high quality accommodation in five new bungalows in an award-winning development in Aberdeen.

In addition to these new homes, Crandeen's principal business objective was to provide a broad ranging, high quality home support service from a team of dedicated Crandeen Companions offering assistance with the living needs of its clients – from gardening and shopping through to companionship and the provision of personal care.

In hindsight, it is clear that the Crandeen Companion concept is trail blazing in lifestyle options and choices, and, as with such innovative projects, the task of creating a new market would require substantial effort in time and resource.

# om the Chairman

With further potential investment sources unlikely – given the nature of the business – it became clear to the ASL Board in the Spring of 2019 that the future operation of Crandeen should be refined. While the Crandeen property business will continue unchanged, the care operation has been integrated into ASL's existing network within the Aberdeen area.

The ASL Board will also conduct – using an independent resource – its own review of the planning and delivery of the Crandeen business in order to understand the lessons that need to be learned and any further action that might need to be taken.

As I said earlier, we are in a new regulatory environment – details of the Scottish Housing Regulator's new regulatory framework can be found on their website – and ASL is taking the appropriate action to ensure it is fully compliant.

We are working with a leading expert to strengthen our governance procedures and to ensure we are, or will be, fully compliant with all current standards. We have successfully recruited three new Board members who bring to ASL a wealth of relevant experience and capability.

ASL's change of Chief Executive last year prompted the Board to initiate a statutory strategic options appraisal, as required by the relevant regulations, working closely with the Scottish Housing Regulator and a leading independent specialist to help determine the most effective path for ASL.

The main outcome of the appraisal, in line with the Board's existing business plan, is for us to explore opportunities with an appropriate RSL partner. This process will start in the Autumn, again with independent specialist support.

It only remains for me to extend my sincere thanks to my fellow Board members for their patience, perseverance and commitment through a difficult business year and to thank our Interim Chief Executive, Karen Barr and the ASL team, in our head office in Edinburgh and in the ASL houses across Scotland. Their efforts and continuing dedication to the care of our residents make ASL the very special business we are all proud to serve.

**Ken Robertson**  
Chairman



## Our Vision

Abbeyfield Scotland Ltd is acknowledged as an exemplary provider of care and support services for people who value their independence.

## Our Mission

We are committed to managing our assets and developing the business to ensure that the Abbeyfield Group remains a viable, relevant and successful option for housing and services into the future.

## Our Strategic Objectives

The Group's strategic objectives are:

- to develop a sustainable new model of living and services, building on a distinct target market
- to concentrate on new developments using new models of service delivery and considering the best use of current stock alongside this
- to engage in a programme of remodelling existing properties and structures
- to improve the organisation's performance, by developing its people, improving service quality, delivering high quality services to larger groups and developing strategic options

## Report of the board

For the year ended 31 March 2019

### Financial Review

There was an overall surplus of £108,646 (2017/18 – £885,614). In the year one property was sold for a profit of £253,686 compared to 2017/18 where four properties were sold for a profit of £939,321.

Operating deficit is £163,716 (2017/18 – deficit £61,626), however in 2017/18 a donation of £186,790 was received from Abbeyfield East Linton Society for the benefit of the Haddington house. The operating deficit for 2017/18 without the donation would have been £248,416, therefore this shows there was an underlying reduction in the operating deficit of £84,700 in the year.

Abbeyfield Scotland is fortunate in carrying no debts and having a healthy cash reserve of £1.7m.

However, the challenge of maintaining the quality of our homes and providing for their remodelling and redevelopment now and in the future continues to be substantial. In recent years we have invested to ensure all non-exempt properties met the Scottish Housing Quality Standard (SHQS) by 2015. Meeting the Energy Efficiency Standard for Social Housing (ESSH) by 2020 is a further mandatory requirement although it is reassuring that 64.3% of our properties to which ESSH is applicable already meet the Standard.

The sum of £206,517 has been budgeted for repairs, planned and cyclical maintenance in 2019/20 and £25,000 on redecoration and internal improvements. Further investment to improve access and facilities will be supported by adaptations grants from Scottish Government.

The Group owns 5 bungalow style properties in Aberdeen, valued at approximately £1.6m, managed at market rents by Crandeen Ltd.

### Development and Performance

This report details developments that have occurred during the year relating to the main activities undertaken by Abbeyfield Scotland and how we have performed.

# Managed property

This table shows our stock	2018/19	2017/18
	15 Houses	16 Houses
non-self-contained properties	133	140
self-contained properties	12	12
properties leased to Crandeen Ltd for private rental	5	5
<b>Total</b>	<b>150</b>	<b>157</b>

## Corporate Governance

Abbeyfield Scotland Ltd is governed by a voluntary Board which is elected by the members of Abbeyfield Scotland. It is the responsibility of the Board to set the strategy, policy and overall direction for Abbeyfield. At the 2018 AGM the Board following the resignation of James Craigie, Chairman for seven years, elected Helen Barclay as Chair and Ken Robertson as Vice-Chair. Nance Smith retained office of Company Secretary. Helen Barclay resigned in December 2018, and a further two members resigned in January 2019. Ken Robertson assumed Chair until elected on 30 January 2019. Nance Smith took over the role of Vice-Chair and retains the role of Company Secretary. The Board numbered 7 at 31 March 2019.

The Chief Executive and the management team are responsible for achieving the set strategy and undertaking the operational activities in accordance with the agreed policies during the year.

The current Chief Executive occupies the post on an interim basis (subject to the conclusion of a Strategic Options Appraisal, for completion in the summer of 2019) and is tasked with a review of the Organisation's Business Plan from 2018/19 onwards, working with the regulatory authorities in meeting Abbeyfield's objectives and governance requirements.

Abbeyfield Scotland Ltd is primarily regulated by the Scottish Housing Regulator and the Care Inspectorate. The Scottish Housing Regulator publishes a Regulation Plan for landlords with which it wishes to engage and again agreed a medium level of engagement with Abbeyfield Scotland for 2018/19.

## Partnerships

Crandeen Ltd, Abbeyfield's wholly owned subsidiary is not registered with the Scottish Housing Regulator. As at 31st March 2019 the board of Crandeen Ltd had five members appointed by Abbeyfield Scotland and four independent members. Arrangements for control of the wholly-owned subsidiary are governed by the Intragroup Agreement between the parties. At 31 March 2019 this is placed under review.

Abbeyfield Scotland is affiliated to the Abbeyfield Society. In Scotland a grouping called Abbeyfield Societies in Scotland Ltd exists to promote collaboration between the various Abbeyfield member societies in Scotland (of which Abbeyfield Scotland is by far the largest).

Cairn Housing Association facilitates the IT services to the organisation.



# Report of the board (continued)

## Development and Performance (continued)

### Performance

#### Resident consultation

Resident satisfaction surveys are undertaken annually.

Overall satisfaction in 2018/19 with their Abbeyfield services was reported by 90% of respondents while 80% reported satisfaction with quality of their home).

#### Allocations and income maximisation

Void rental loss for retained houses was 16.2% of rent and service charges receivable (2017/18 – 18.1%). Under close scrutiny by Board and management, our actions in this crucial regard have been to raise local and national awareness of Abbeyfield’s services with improved targeted promotional activity supplemented by local and corporate marketing.

Rent arrears at 31 March 2019 remained, amounting to 1.99% of the annual gross rent due (2017/18 – 1.32%).

#### Responsive repairs

## Service Quality

Our housing support services were again inspected by the Care Inspectorate consistently operating at a high level:



Category	Performance Measure	Target	2018/19	2017/18
Emergency	Average time to complete	5 hours	3.87 hours	3.85 hours
Non-Emergency	Average time to complete	6 days	7.89 days	4.98 days

The in-house management of repairs has enabled much closer management of repairs since 2017/18.



### **Maintaining our Houses**

The year continued with the ongoing programme of planned maintenance and health and safety works to the houses. Projects included:

- heating systems, including boiler replacements
- roofing repairs
- replacement of doors and window

Significant works are expected in 2019/2020 in Haddington.

Grant funding from Scottish Government also allowed adaptations, including ramps and wet floor showers to be carried out to meet the changing needs of tenants affected by mobility and other issues.

### **People Management**

The quality and competence of our staff is maintained by our high standards for recruitment and the induction, training and development given. Expected values and behaviours were developed in partnership with staff and form a “golden thread” running through the whole of the organisation and its activities.

At 31 March 2019, Abbeyfield Scotland Ltd employed 72 staff based in 15 houses, the Area office and in Edinburgh. The sickness absence rate is 6.21% (2017/18 – 3.79%). Long term absence has been a bigger issue than short term absence and there continues to be no discernible pattern. The reasons underlying vary greatly.

### **Crandeen**

In early 2019 the Board of Abbeyfield approved steps being taken by its wholly owned subsidiary Crandeen to limit its expenditure in order to avert financial problems. At the end of 2019/2020 the finances of Crandeen continued under close review by the Parent Board.

Abbeyfield’s strategic plans for the newly adopted Care at Home service continues to develop models of services and options for the health and well-being of older people in our communities.

### **Risk Management**

The Board has a formal risk management process to assess business risks and implement risk management strategies. This involved identifying the types of risks Abbeyfield Scotland faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Board has reviewed the adequacy of Abbeyfield’s current internal controls. The Board received services from Crystal Risk Consulting on a revised risk management procedure to enhance the ability to measure risk and mitigating outcomes. The new process will be adopted in 2019/2020.

# Inverness Closure

With a small group of residents whose needs were increasingly difficult to meet in the environment it offered, our Inverness house was reviewed by the Board and the difficult decision taken to close the property and find more appropriate accommodation for its residents.

The closure has been handled with great care and sensitivity by our dedicated staff. Closure is never an easy option but we can confirm that when it has to happen, the ASL team ensures it is carried out with the best interests of residents and the welfare of our staff in mind.

Get in touch!

# Looking Forward

## Pilot North East

The ASL Board has approved a pilot project that will look at how the former Crandeen service model can be extended across the internal market of the ASL houses in Scotland while also seeking new business opportunities from both private clients and organisations in the care sector.

This pilot will run through to Spring 2020 when the ASL Board will assess the results and decide on next steps.

The pilot will be run from a new base of operations in the North East – the ASL house in Stonehaven - our Companions, will continue to look after their existing customers, with potential for an increase in the customer base once the Companions have been integrated fully into the ASL business.



## Contact Details

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