

túath housing annual report



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contents

Chairperson's Foreword	1
The Year in Review	2
Housing Management	4
Housing Development	7
Technical Services	8
Financial Report	9
Accounts Summary	10
Chief Executive's Statement	12



chairperson's foreword

I am delighted to present the Association's Annual Report. 2012 proved another challenging but rewarding year for the Association.

We demonstrated that we are about more than just bricks and mortar and that we are more importantly about places and people. We continued to quietly go about our business of managing homes in a sustainable way, allowing people to peacefully enjoy, live and settle within communities.

At the heart of Túath's activities and mission is a strong commitment to corporate responsibility and good governance. With this in mind we were pleased to see the State publish its commitment to corporate responsibility in the sector; Building for the Future – A Regulation Code for Approved Housing Bodies.

We believe that the new regulatory code will help to improve stakeholder confidence and to enhance the ability of associations to secure private finance to deliver social housing. Regulation will assist associations to focus on the tenant as a consumer. We also see regulation as facilitating partnership work, alliances and dreamers in the sector. Rightful local

I am again indebted to the hard work of our Board of Management and the staff team throughout the year. I also wish to thank and pay tribute to all the staff and elected members in the Local Authorities with whom we work collaboratively, and who are continuing to cope with very difficult circumstances, as well as the staff at the DOECLG and the Housing Agency.

Some years after the economic collapse, the dysfunctional property and banking sectors continue to cause real hardship to many, many people. The unprecedented mess created by the collapse has made the operational environment for Local Authorities and Associations extremely challenging. Everything to do with property today has been complicated by the collapse. An insufficient line of finance and credit to acquire and build social housing is the sector's biggest single obstacle at the moment. Our approach however is not to dwell on these problems but rather to offer innovative solutions to the problems. Last year showed again that by working through these problems with Councils you can overcome these obstacles and provide safe, quality housing at best value whilst locally building mixed, sustainable communities.

More businesses committed than ever to doing what

the year in review

January

The Association welcomes the Government's commitment to sector regulation and strongly backs the introduction of a statutory code of practice as soon as possible.



February

2011 financial audit completed by Grant Thornton

March

Allocation of 40 new units in locations around the country



April

Staff pass the IPAHousing Certificate exams reflecting the Association's commitment to training and professionalism



May



Minster landmark reached with over 400 units in management in Cork

July



Housing Minister launches
Annual Report for 2011

August

Move to Dublin offices in Merrion Square,
Dublin 2



September

Rent payment on-line option
and tenant texting facility
launched



October

Association's first private finance
deal with Bank of Ireland at
Scotch Hall, Drogheda



November

First social
leasing scheme in
Waterford City



housing management

The Housing Services Department participate in the sector's Housing Association Performance Management framework and statistical monitoring. The Irish Council for Social Housing's annual stats show that in 2012 the Association averaged scores in the highest performing percentile for overall results.



key performance indicators:

Rent collected as percentage due: 99%

No. of new homes let in the month

40



“The Association recognises the importance of delivering quality services and welcomes feedback from tenants on ways we can improve our service.”

A key theme for us in 2012 was that good housing management is essential to effective place making. In order to help create neighbourhoods of choice we worked closely with Local Authorities, community organisations, tenants, residents associations and the Gardaí.

The housing department endeavoured to provide a proactive and quality housing management service to all tenants. These efforts were rewarded when we achieved an outstanding level of tenant satisfaction from independent telephone surveys to housing schemes in different parts of the country, roughly representing 10% of tenants.

One important piece of feedback we received from the surveys was that some tenants said they had experienced difficulty in getting through to the Dublin office. In response we upgraded our phone system to ensure that the growing volume of calls could be promptly answered as well as introducing a new texting service for the benefit of tenants.



residents associations

We encourage tenants to form Residents Associations. Túath works closely with the residents and provides match funding to assist with the establishment of these associations.

We recognise the importance of Residents Associations input and their contribution to the creation and maintenance of sustainable communities where people want to live.



“I really like living in Benamore and I can’t believe how lucky I am to have an apartment like mine, Túath are very efficient any queries I have are dealt with immediately”



maintaining growth,
maintaining quality

1630

1630 homes occupied in 150 schemes in 2012

1425

1425 homes occupied in 134 schemes in 2011

881

881 homes occupied in 86 schemes in 2010

560

560 homes occupied in 46 schemes in 2009

236

236 homes occupied in 24 schemes in 2008

193

193 homes occupied in 18 schemes in 2007

105

housing development

2012 was another challenging year for the Association, as the housing landscape has continued to change; we have adapted to meet new demands.

In this ever changing environment we provided 130 new homes through a mix of purchasing, leasing and management arrangements with Local Authorities. Whether growing our business or enhancing our existing services we have been rigorous in our approach to achieve value for money. We successfully leveraged private finance for the first time in 2012, gained HFA approval for our first projects and working with NAMA and the Housing Agency secured new homes in high demand communities. As policy has dictated the use of private finance to provide social housing we have sought to instill confidence in the financial sector to enable us to borrow to deliver new opportunities. This, we believe will continue to bear fruit over the coming years.

We have sought to enhance our services to existing partner Local Authorities to complete ongoing commitments while welcoming new opportunities to develop and create new homes in sustainable communities with new Local Authority partners.

The Association worked in ongoing partnership with existing stakeholders and established new

partnerships with Waterford City Council, Galway County Council and Wicklow County Council. The Association achieved more for less at Scotch Hall, Drogheda with private finance to purchase 15 homes with the assistance of Drogheda Borough Council, the Bank of Ireland & NAMA. Túath played its part in helping tackle ghost estates by both purchasing and leasing units in unfinished estates in Counties such as Westmeath, Galway City, Fingal and Dublin City.

As a socially responsible organisation we continued to enhance and improve our services. One of our objectives for the coming year is to work with smaller Associations to assist with the introduction of the new regulatory framework whether in an advisory capacity or in terms of including stock under Túath's umbrella. By working with the Housing Agency, the Department & Local Authorities we are also committed to facilitating the Mortgage to Rent scheme and endeavour to change housing for the better by working with partner Authorities on projects earmarked for regeneration.

The Association secured over €15million in funding to purchase 150 homes for families throughout the country. We thank all council partners for supporting these projects. The funding has ensured that empty properties have been brought into use to provide much needed homes within local communities.

technical services

An internal reorganisation in the Association saw the enlargement of the Technical Services team within the Development Directorate.

The re-organisation has greatly strengthened the team's ability to rapidly deal with an increase in leasing and purchase opportunities whilst also providing technical support to Housing Management. We also 'outsourced' this service to Local Authorities to assist the completion of projects and particularly in the surveying, snagging and finishing off of new vacant housing stock.

It is important for the Association to ensure that we make the best use of existing stock and assets, and by recognising that we must maintain the quality of homes. Last year we undertook 1,764 repairs to properties of which 184 were classed as an emergency, 422 urgent and 1,158 routine repair jobs. We aim to reduce spend and to improve

monitoring and assessment of service delivery and outcomes versus expenditure. Our Technical team will invest more in training, increase the number of pre and post-inspections undertaken and improve the overall quality and cost effectiveness of the contractors engaged, by Túath.

Going forward we recognise that the limited availability of finance in the short to medium term will curtail the development plans of Associations. It is therefore vitally important that we continue to campaign for more investment in the sector to allow more social homes to be purchased, leased and built to satisfy growing demand.

Túath will continue to play our part in the provision of new homes using innovative methods of delivery and sourcing finance to achieve this.

Bronagh D'Arcy
Director of Development

In October 2012 we played a part in our management of a Dublin City Council / Dimplex Ltd pilot scheme of a new store



financial report

The year was financially successful for the Association as we continued to grow our services to meet the needs of partner Local Authorities, tenants and communities.

The 2012 accounts are based on the twelve month period from 1st January 2012 to December 2012. Annual turnover increased from €4.8m to €5.7m as we added 130 homes to the portfolio of social housing.

During 2012, Túath was awarded over €15 million in Capital Assistance Scheme funding.

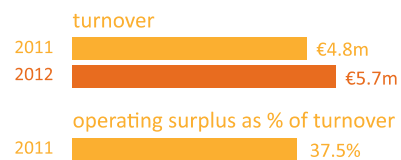
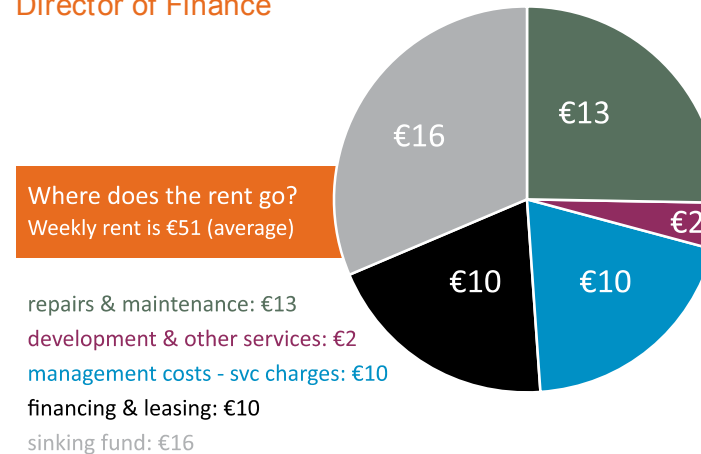
The Association is continuing to invest in housing through its development programme and is actively seeking private finance for future development projects. The Association was successful in obtaining lending from the Bank of Ireland to purchase 15 apartments in Drogheda. We made loan applications to the Housing Finance Agency in 2012 which we hope will deliver a substantial number of new social homes in 2013.

Despite the ongoing recession and a general reduction in resultant development opportunities the overall performance of the Association was very strong.

A major computer failure by Ulster Bank resulted in a loss of banking services and considerable disruption to the Association during the summer. We thank tenants and suppliers for their patience whilst we were impacted by the Ulster bank issues. As a result of the lessons learnt from this crisis we put additional banking facilities in

Going forward we will continue to manage our finances in a prudent manner, setting affordable rents whilst providing quality services and carefully controlling costs. The Association's continuing growth is reflected in the balance sheet and total reserves. The bulk of reserves have been set aside in sinking funds to meet the future costs of planned and cyclical maintenance programmes. In addition we will be assigning a proportion to smooth out the cash flows of future development projects in their early years thus avoiding reliance on costly bridging finance.

Anne Marie Gavin
Director of Finance



accounts summary

Túath Housing Association Ltd.

Statement of financial activities for the period ended 31st December 2012

INCOME AND EXPENDITURE ACCOUNT

	year ended 31/12/2012	9 months ended 31/12/2011
	€	€
INCOME	5,762,263	3,624,408
EXPENSES	<u>(3,615,027)</u>	<u>(2,263,533)</u>
OPERATING SURPLUS	2,147,236	1,360,875
Interest receivable	95,905	19,943
Interest payable and similar charges	<u>(15,442)</u>	<u>0</u>
SURPLUS ON ORDINARY ACTIVITIES	2,227,699	1,380,818

BALANCE SHEET AS AT 31ST DECEMBER 2012

	year ended 31/12/2012	9 months ended 31/12/2011
	€	€
FIXED ASSETS		
Tangible Assets	90,833,077	83,071,705
CURRENT ASSETS		
Debtors	438,126	306,149
Cash at Bank and In Hand	<u>5,584,460</u>	<u>3,331,222</u>
	6,022,586	3,637,371

the year in numbers

€5.4m collected in rent

1,630 no. of homes in management at end 2012

€351 per unit repair spend

26 no. of Local Authorities we work with

€306,000 paid in taxes to the Irish Exchequer

33 staff employed

99% of rent due, collected

€560,000 spent on private leasing

€550,000 paid in service charges to property

chief executive's statement

Despite another year of uncertainty Túath has continued to increase our services to provide over 200 families with new homes. We also expanded our staff team and moved into new larger offices to meet these additional demands.

A notable feature for the sector over the last few years has been a collective difficulty to deliver sufficient social housing due to a lack of access to funds. A private finance regime makes sense but it must start to deliver an acceptable level of new social housing output.

Our Association cannot be accused of not trying to deliver social housing, so what else is required? The short answer is money, more money is needed. Not in the form of grant handouts but by way of more readily available loans. A hand up for Associations is required, not handouts. It is accepted that the delivery of social housing through non-profit making housing associations will reduce the financial burden on the State. The generally accepted plan is that housing associations will borrow money to provide new social housing via State backed revenue funded mechanisms. This seems a fair plan.

The framework put in place by the State is generally sound but securing loan finance has proved extremely difficult. Improved credit facilities are required to increase the output of social housing and to help stimulate the economy, especially in the

for developing Associations is also necessary.

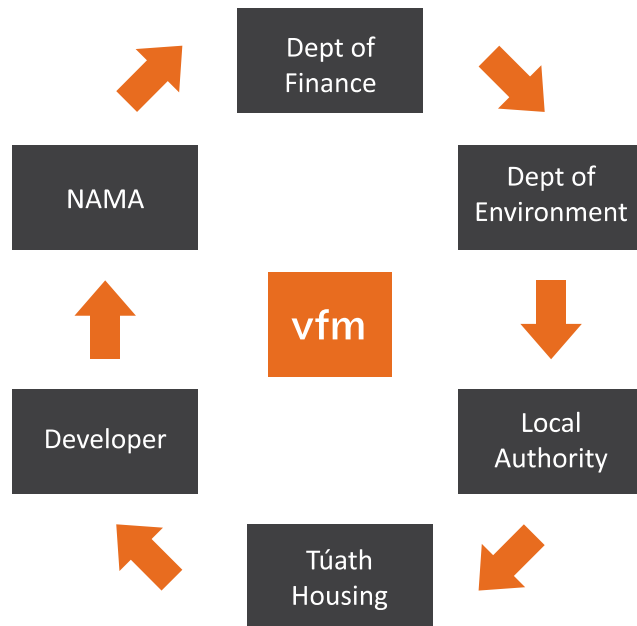
The underlining principle supporting programme funding for Associations should be 'use it or lose it'. If an Association does not deliver the desired output of new homes it should not receive future development funding in the following year.

In recent years we have delivered social housing schemes which show how it is possible to secure value for money for the taxpayer via partnership work with the public, private and voluntary sectors. This has been particularly true in NAMA schemes where effectively, State money is simply 'recycled'.

With this in mind, let us play a bigger part. The sector needs help to secure sufficient private finance to acquire empty and unfinished stock to provide social housing options to make a real difference to hard pressed families. Around the country there are many shovel ready building projects, which would not only greatly reduce waiting lists but also unemployment queues. At a time when waiting lists for social housing are greatly increasing it is absurd to permit so many unsold properties to lie vacant and deteriorate. We should do more, we can do more.

Regardless of whether these financial changes can be brought about, the Association will continue to play our part in helping to assist people in housing need and to ensuring that they remain at the core of our mission. As part of this work we will also work collaboratively with other like minded Associations and special needs organisations with a view to

ensuring vfm (value for money)



‘recycling state money to secure assets at best value’

the board as of 8th May 2013



James Pike (Chairman)

James Pike is an architect and was a founding partner in Delany Mac Veigh and Pike, which was set up in 1964. This practice evolved into O'Mahony Pike in

1992. He has played a major role over more than 40 years in urban planning and housing in Ireland, but has also been involved in major educational, office, retail, hotel and industrial projects, and in projects in the UK and North Africa.

He has played a continuing role in the RIAI since the 1960's culminating in the presidency for 2006–2007. He is currently Chairman of the Irish Architecture Foundation and a founding member of the Urban Forum.

He currently contributes to the many urban design projects in the practice, and a number of architectural projects, and has promoted a number of research projects with the Urban Forum and on sustainability issues with DIT and UCD since the 1980's.

He has played a major role in several publications including "Dublin City in Crisis", "New Housing" and "New Housing in Context". He wrote the pamphlet "Living over the Shop" for Comhar, the Forum for Sustainable Development, has presented papers at many conferences, written articles for the press and is frequently interviewed for the broadcast media.



Marian Jennings (Co Secretary)

Marian Jennings holds an LL.B from Trinity College, an LL.M from Queens University Belfast and a Diploma in Employment

Law from University College Dublin. Marian is a Solicitor and has a long standing involvement in and commitment to matters of homelessness and housing, having been a soup run volunteer with Dublin Simon for six years, as well as having served as a member of the Dublin Simon Board, Governance Sub-Committee and Staff Sub-Committee. Marian regularly attends seminars and workshops on issues relating to social housing, company directors and employment law compliance.

Marian became Chairperson of the Túath Housing Board of Directors in 2010.



Christopher Oakes

Christopher Oakes is a Quantity Surveyor working in construction for more than forty five years. From College he joined the Sisk organisation spending three

years in Africa followed by three years in Dublin. In 1971 he joined Cormac Murray Building Ltd as a Surveyor, becoming a director three years later. Following the economic downturn in the eighties he spent six years in London in the Bovis organization as a Divisional Manager Surveying. Returning to Ireland in 1991 he was appointed Marketing Manager and



Daragh O'Sullivan (Treasurer)

Daragh O'Sullivan is a Fellow



David D'Arcy

David D'Arcy is a resident of County Meath and is a Housing Consultant working predominately in the London affordable housing arena.

His role is to seek out and appraise new business opportunities for mostly London based housing organisations. David has over 23 years' experience of social housing private finance led housing association development. David has first class experience of risk assessment and good governance in practice. In connection with governance he was the first person from the Housing Association sector in the UK to be seconded to the Housing Corporation (the then regulatory authority), managing a team of staff who oversaw the development activity of Housing Associations. He also has valuable experience of initiating and implementing an asset management strategy for another large Housing Association and is regularly assisting small to medium sized housing groups with option appraisals on how to get best value out of their existing stock portfolios. David worked in Dublin in 2003 and 2004, initiating and managing a social economy enterprise in the North Inner City.



Seamus Doherty

Seamus Doherty is a Fellow of the Institute of Chartered Accountants, Fellow of the Institute of Bankers, an Associate

and worked as a Computer Systems Design Specialist and Computer Audit Specialist with Arthur Andersen, progressing to Senior Management Consultant (Financial Specialist) with Coopers and Lybrand & Co in 1980. In 1984 Seamus began working for AIB and fulfilled the roles of Head of Computer Systems, Vice President (USA Investments), Financial Director (Capital Markets), Regional General Manager and General Manager over a 34 year period. Presently Seamus has established his own business specialising in Management Consultancy, Corporate Finance and Real Estate. Seamus was the keynote speaker at the Financial Times and Institute of Economic Affairs conference.



Karen Smyth

Karen Smyth has been working in the Voluntary Housing Sector since 2000, as CEO of Drogheda Homeless Aid. She is also a member of the Board of the Irish Council for Social Housing, and a member of the ICSH Special Needs Housing SubCommittee. She holds a Degree in Business and Legal Studies from UCD, and a Masters in Public Management and Criminal Justice from the Institute of Public Administration. She is Acting Co-ordinator on the MA in Criminal Justice in the IPA, and she lectures on the Crime and Society modules of the course.



Eamon O'Avigan

Eamon is an auctioneer and a member of the Society of Chartered Surveyors of Ireland (SCSI). He has 24 years experience in

the property industry both in Ireland and the UK. He worked for Barrett homes in London where he earned vast experience in new home sales, part exchange transactions and dealing with Housing Associations.

Returning to Ireland in 1999 he joined an auctioneering firm as new homes Director overseeing numerous new housing schemes in the Navan area. Currently Eamon is a director of DNG Royal County auctioneers covering all aspects of residential and commercial sales and rentals. He is a past president of Navan Chamber of Commerce and is currently a Secretary Treasurer of BNI solstice.



Sinead O'Malley

Sinead O'Malley holds a Bachelor's Degree in Engineering from UCD, a Masters Degree in Spatial Planning from DIT, a Higher

Diploma in Physical Planning from TCD and is a qualified Prince 2, Project Management Practitioner. She is a former member of the governing council of the Irish Planning Institute and is a member of Dublin City Council's Engineering and Environment Strategic Policy Committee. Sinead has extensive

level in which she was involved in the provision of social and affordable housing and planning compliance matters. She is currently working as a Sustainability Coordinator for a global construction company and is responsible for site management policies and practices to ensure the project meets exacting standards in sustainability and attains the 'Leadership in Energy & Environmental Design (LEED)' US Green Building Council gold certification.

Rory McEvoy retired from the Board in May 2013. The Board of Management & Staff would like to thank Rory for his time and commitment whilst serving on our Board over recent years.







