



*Sustainable Communities
Quality Affordable Housing
Life Chances for People*

ANNUAL REPORT



CONTENTS

- 4 GOVERNANCE
- 5 MESSAGE FROM CHIEF EXECUTIVE
- 6 FINANCE
- 8 OPERATIONS REVIEW
- 14 ASSET MANAGEMENT STRATEGY & INVESTMENT ACTIVITY
- 16 MAJOR REPAIRS & IMPROVEMENTS
- 18 REPAIRS SERVICE
- 20 ATRIUM INITIATIVES



Before I turn to the year in question, I want to comment on the months of lockdown we have all just experienced due to the COVID-19 crisis.

This has to be one of the most difficult periods in living memory, as the entire world struggled to deal with a pandemic beyond parallel. It seems a little bizarre to be preparing an Annual Report in such circumstances, when we know that our Board, staff and tenants may have suffered, or still be suffering, the loss of loved ones during this terrible period.

But equally, we have been charged by the Scottish Government to do our bit to rebuild a badly damaged economy and to restore normal services to customers as best we can, and as soon as we can. So, it is within this context that I set out what we achieved in the last financial year, and what we hope to achieve going forward.

I would like to begin by acknowledging the efforts of Atrium's staff team during the past year, particularly in the weeks leading up to lockdown in March 2020. The team adapted extremely well to the very different working conditions they faced and were able to build on the excellent forward planning which had taken place in 2019, when we had upgraded our ITC infrastructure to make remote working much easier. The foresight of the team meant that when lockdown came, it was a relatively seamless transition compared to some.

Our new website and use of Facebook made communications with customers much easier, whilst the VOIP phone system was easily adapted to video

conferencing. One aspect of the timing of lockdown is that it interfered with the launch of our website tenant portal and mobile app, but we will still see this in coming months.

Lockdown also interrupted progress on the construction of 27 new properties in Shortlees. These units - a mixture of bungalows and flats for older people, alongside family homes and general need flats - were nearing the handover stage in March, but will now be available for let from October or November 2020. These properties will be modern, warm, comfortable and highly energy efficient.

In the course of the year, we started work on the first properties to benefit from our new Homes Fit for 21st Century Living Standard (HFF21CLS). This Standard was developed in conjunction with our Tenant Scrutiny Group before being rolled out to all our tenants as part of a broad consultation exercise in August 2018. The work was undertaken by our contractor CCG and in all, 58 properties were improved in 2019/20 either as pilots or as part of Phase 1. There were a few hiccups which we quickly addressed, and the overwhelming feedback from tenants was very positive. Phases 2 and 3 were interrupted by lockdown, but we anticipate work starting again in September 2020 and we hope to get back on schedule as quickly as possible.

Other work in the year has seen 50 properties in Nether Robertland and New Farm Loch benefit from external wall insulation as part of our energy efficiency investment strategy, and this work will continue in 2020/21. Our objective is that by the end of 2023/24, all of our properties will have been brought to our new HFF21CL Standard.

None of this activity would be achievable if we were not such a strong and stable organisation, with a solid financial footing and a value for money approach. Our longer-term plans include an investment of nearly £15million in the existing stock by 2025, and we are confident we will be able to deliver our longer-term proposals whilst still keeping rents reasonable and rent increases around the inflation level. In the coming year (2020/21), we will be reviewing our Business Plan to ensure that it meets our objectives and is fit for purpose.

Expenditure is one side of the equation and balancing it on the other side, is income. Our major source of income is, of course, from rents from occupied properties, so performance on this side of the business is very important to Atrium's financial well-being and ability to deliver investment. Despite the impact of welfare reform changes and the introduction of Universal Credit in particular, we have managed to maintain our income stream, through letting houses, gathering rents and addressing tenant debt. We are very proud of our performance in this area which seeks to achieve a balance between recognising the personal struggles of some of our tenants to meet their financial obligation to us, with the need for Atrium to maintain its income levels. We provide excellent support to tenants in difficulties, be they financial or in some instances personal, through services such as money advice and tenancy sustainment. Ultimately though, we employ compassionate people who very often go "above and beyond" for our customers.

Good governance continues to be of enormous importance to Atrium and the housing association sector as a whole. In October 2019, we submitted our first Annual Assurance Statement to the Scottish Housing Regulator which confirmed that the view of the Board, after a comprehensive review, was that we complied with their Regulatory Standards.

We also welcomed some new Board members in the course of 2019/20 replacing others who stood down, having served us well. That is the nature of our governance arrangements and we are always keen to hear from people who are willing to volunteer to serve on our Board.

I would like to end this Report by thanking my colleagues on the Board for their support over the year. Their efforts on behalf of Atrium, its staff and customers are completely voluntary and can only be rewarded by public acknowledgement that without them, Atrium would not be the excellent organisation, delivering first class services, that it is.

Best wishes
Joe Keen, Chair, Atrium Homes

Atrium Homes is a company limited by guarantee and a registered Scottish charity. Our Board of Directors are all volunteers and receive no payments; all give their time freely to support the good governance of the organisation. The Board met eight times in the course of 2019/20 to conduct its routine business and the overall average attendance at Board meetings in the year ran at 84%. In addition, three sub-committees of the Board each met a further four times.

There are 12 places on the Board and details of who served during the year are shown below. Although a number of Board members left in the course of the year, they were replaced through open recruitment. This is a normal process for organisations like Atrium, and helps achieve an appropriate balance of skills and experience at Board level.

In the course of the year, the Board submitted its first Annual Assurance Statement to the Scottish Housing Regulator, based on the

Regulatory Framework which came into effect on 1 April 2019. The Annual Assurance Statement was submitted on time and confirmed that, based on the Board's review of Atrium's approaches - which in turn were supported by internal and external sources - there were no areas of material non-compliance.

REGULATORY STATUS

Like all RSLs in Scotland, Atrium Homes is subject to regulation by the Scottish Housing Regulator (SHR). Atrium enjoyed low engagement status under the former Regulatory Framework, although the Scottish Housing Regulator has still to identify our regulatory status under the new Framework.

The SHR has however indicated it does not require any further assurance from Atrium at this time, other than the routine annual regulatory returns required from all RSLs.



JOE KEEN
CHAIRPERSON

GRAHAM PIGGOT
VICE-CHAIRPERSON

MARIE COYLE

KEN TUDHOPE
APPOINTED MARCH 20

NOT PICTURED:
ANGELA MILLOY



JAMES O'NEILL

ALISTAIR REID

DAVID SHERLOCK

KEN STEWART



BRIAN WOODS
RESIGNED SEPTEMBER 19

CAROLYN KELLY
RESIGNED AUGUST 19

HUGH MCINTOSH
RESIGNED AUGUST 19

RESIGNED

A WORD FROM OUR CHIEF EXECUTIVE:

Our response to Covid-19

Dear members

The arrival in the UK of the COVID-19 virus heralded an extraordinary period of change and challenge for everyone, including Atrium, our services and our customers. As we prepare these statements for members, we are acutely aware of the impact of the virus on those families who have lost loved ones to it. It is appropriate to acknowledge their loss and to offer our sympathies to everyone who has been affected.

Office Closure

From February 2020, we were monitoring closely the reports on the spread and impact of the virus in other countries and in early March, as the first cases were emerging in the UK, we began to prepare plans for changing how we worked. Over the subsequent period, we have continued to review and adjust our approaches in the light of guidance and experiences.

On Monday 16 March, in response to the spread of the COVID-19 virus nationally, the office closed to the public, along with all but essential activities, with staff beginning to work remotely. On Monday 23 March the office closed completely and we went into lockdown with staff working remotely. However, because we had updated our computer infrastructure in June 2019, we were able to access all our computerised systems remotely, including our main housing management and finance systems, central files, and phone system (which handles video calls as well).

Some services, such as money and welfare advice, along with debt management, were able to continue remotely through the lockdown period. However, we were forced to restrict access to other services, such as allocations and non-essential repairs.

At the same time, our major contractors undertaking new build, HFF21CLS improvement works and external wall insulation works, all had to stop work and close their sites, with schedules disrupted and planned work delayed for several months.

Staff Furlough

Like many other organisations, we took the decision to furlough staff whose workload was most severely affected by the country wide lockdown. In total, we furloughed nine staff for varying periods from three to 12 weeks, most of whom were involved in activities related to new build and planned investment. We kept this under review and when circumstances permitted in July, brought those affected back to work.

In a move to parallel furlough, we reset our telephone system to channel phone contacts to between 10am and 3pm each day. This was in response to system data, which showed that most calls into the organisation were between these hours anyway, as well as our focus on providing emergency rather than "normal" access. This approach allowed us to manage our remaining staff resources better, while still providing the public some direct access. Email, contact via our website and Facebook contact were still available and unrestricted. Outside the 10am-3pm daily window, tenants were directed to our out of hours call services for emergencies.

Staff Welfare and Morale

As an employer, the health and welfare of the staff team is very important to Atrium. Therefore, we were conscious of staff welfare and morale throughout the lockdown process, and were keen to maintain regular contact with all staff whether they were working from home

or were furloughed. From individual chats to team meetings we were able to maintain a high level of morale.

Governance in Lockdown

Our first lockdown Board meeting was held on 31 March 2020 via Zoom and since then we have held five more Board meetings, two rounds of sub-committee meetings and several other informal discussions using this video conferencing service.

Board and sub-committee meetings were very well attended through the lockdown period and as a consequence, we are exploring options for continuing some element of attendance via video link in the future.

Return to Office Work

At the point of the AGM (September 2020), lockdown restrictions on some elements of our services have relaxed and we are able to deliver more services than before. In response to relaxations from the Scottish Government, we have been able to re-let properties and begin work on the backlog of non-essential repairs which still came in steadily throughout lockdown and were recorded for future action. Our major contractors have also returned, and new build and improvement works have all recommenced. Some staff have returned to working from our office on a rotational basis, but the emphasis remains on working from home.

It is still too early to predict when we will be able to return to the office on a more permanent basis, but the staff team will continue to rise to whatever challenges face us to deliver services for Atrium's customers.

Kind regards

Stephen Black
Chief Executive

Finance

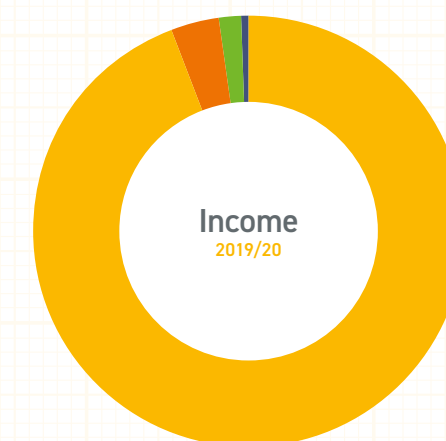
OVERVIEW

- There was an overall increase of 2.9% in rental income due in the year. This was driven by the inflationary increase of 3.2% applied to all existing stock on 1 April 2019.
- Operating costs as a percentage of income increased slightly from 74.0% in 2019 to 76.9% in 2020. However, we continued to control costs and performed favourably within the short and long term budgets set, posting another operating surplus in the year. This will be used to fund the future planned maintenance programme across all our housing stock.
- Successfully managing the financing of our core activities continues to be a key priority and this remains on track with our previous performance in this area. Our budget for further investment in the Planned Maintenance Programme has been set in order to ensure that every property we own meets our 'Homes Fit for 21st Century Living Standard' by 2024.
- We continue to manage our finances with a long term perspective. Opportunities will always be weighed up as they arise and we are keen to ensure that we maximise value for money outcomes for our tenants.

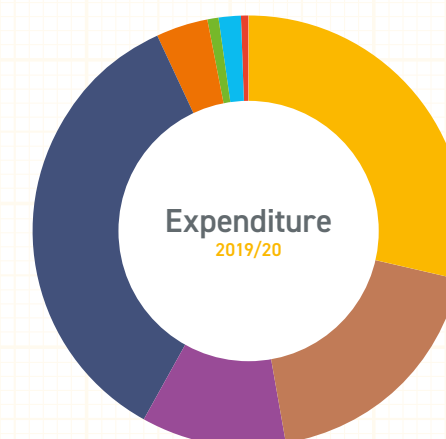
SUMMARY INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020 & COMPARATIVE

	19/20 £,000	18/19 £,000
Turnover	5,663	5,529
Operating costs	(4,355)	(4,094)
Operating surplus	1,307	1,435
Loss on disposal of housing stock	(6)	(20)
Interest receivable	36	15
Interest payable	(526)	(500)
Other finance charges	(21)	(18)
(Deficit)/surplus for the year	791	912
Other comprehensive income	796	(489)
Reserves brought forward	16,586	16,163
Reserves carried forward	18,172	16,586

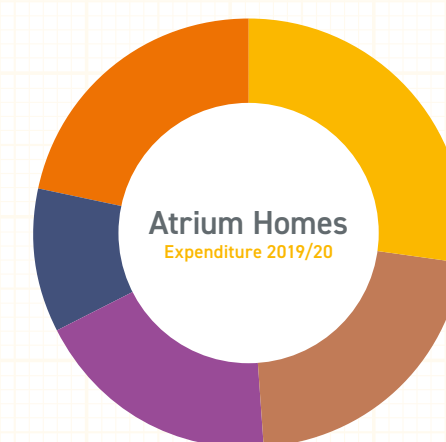
INCOME 2019/20	Total £,000	As %
• Rents	5,378	94.4%
• Other	208	3.6%
• Medical Adaptations	77	1.4%
• Interest Receivable	36	0.6%
Total	5,699	100%



EXPENDITURE 2019/20	Total £,000	As %
• Maintenance	1,410	28.7%
• Depreciation Social Housing	918	18.7%
• Loan Interest	526	10.7%
• Management Costs	1,721	35.1%
• Other	193	3.9%
• Medical Adaptations	77	1.6%
• Bad Debts	42	0.9%
• Other Finance Costs	21	0.4%
Total	4,909	100%
Surplus	791	



ATRIUM HOMES Expenditure 2019/20	Total £,000	As %
• Staff Costs	1,338	27.2%
• Maintenance	1,063	21.7%
• Depreciation Social Housing	918	18.7%
• Loan Interest	526	10.7%
• Other	1,063	21.7%
Total	4,909	100%



Operations Review



The Operations team delivers a range of frontline services and is typically the first point of contact for many of our customers. They provide a housing management service to tenants to help make sure our estates are safe, clean and happy places to live in.

This covers services such as rent and arrears, money advice, the allocation of empty properties, addressing neighbour issues, and conducting garden and landscape maintenance inspections.

The team plays a vital part in creating great homes and neighbourhoods within our stock, and achieves this by spending much of their time out in our communities. In this last year we have continued to work out in the neighbourhoods where our customers live, increasing the focus on staff being visible and accessible to all.

99%
OF RENT DUE
COLLECTED

184
NOTICE OF
PROCEEDINGS

361
TENANTS
CLAIMING
UNIVERSAL
CREDIT



MONEY MANAGEMENT

Our Money Management team monitors and manages rent and other payments. Rental payments are our main source of income and ensure the financial viability of Atrium and our ongoing ability to invest in services, properties and communities.

In 2019/20 we:

- Collected over 99% of rent due - over £5.2 million.
- Managed to reduce gross rent arrears to just over 4.39% (a drop from 5.25% the previous year), despite the financial challenges brought by an increasing number of tenants on Universal Credit.
- Served 184 Notice of Proceedings with seven court actions initiated. This represents a very similar number in NOPs served from the previous year. Staff continue to work with tenants who are the subject of legal action to make reasonable repayment arrangements and refer them to our in-house Money Advice service to ensure all support is in place to try and manage the arrear. We have always maintained that while tenants engage with us to address their financial issues, we will not progress legal action.
- Carried out three rent-related evictions against tenants who did not engage with us and did not find a solution to their debt problems. This is the same as previous year.

IMPACT OF UNIVERSAL CREDIT

At the end of March 2020, we had 361 tenants claiming Universal Credit. This is a further 125 households from the previous year, representing approximately a third of all our households. Households on Universal Credit accounted for 58% of total gross arrears, while representing 43% of the cases.

Of the 361 cases, 242 have an arrear, which equates to 67% of all Universal Credit cases having an arrear at the end of March 2020. We have alternative payment arrangements in place for 51% of cases (184 tenancies), i.e. housing cost payments or arrears payments are being paid direct to Atrium Homes.

On average, a household on Universal Credit has an arrear three times higher than those households in receipt of Housing Benefit. Often this is directly related to the period of delay between the loss of existing benefits and Universal Credit beginning.

We continue to offer intensive support to all Universal Credit claimants, with services ranging from the initial claim, to assessment to payment of housing costs.

Allocations & Voids

We aim to provide good quality, affordable rented accommodation to those in greatest housing need. We work hard to make sure they are repaired to an acceptable standard for new tenants in a reasonable period of time.

In 2019/20 we:

- Re-let 116 properties, despite the final month of the year being affected by COVID-19 restrictions.
- Let three acquired properties for the first time.
- Found suitable housing for eight households after their properties were earmarked for demolition.
- Made 206 formal offers of housing, carrying out verification visits and accompanied viewings as part of this process, with a 38% refusal rate.
- Allocated 28% to applicants on the Waiting list, 21% to the Transfer list, 46% to the Homeless list and the remaining 5% to the Strategic Needs list and the Outwith The District list. We were delighted to make such a significant contribution to reducing the number of homeless households within East Ayrshire.
- Helped process a share of 2,868 new housing applications, bringing the total number of housing applicants on SEARCH, East Ayrshire's Common Housing Register, to 3,587.
- Had 20 void properties at 31 March 2020, a slight increase from the previous year, however due to lockdown restrictions properties were not being let after 16 March 2020.
- Terminated and repaired 116 properties during the year, representing 9.92% turnover of our stock. This was consistent with previous years.
- Took an average of 43.72 days to repair, refresh and re-let our properties. This represents an increase from 34.7 days the previous year.

WE RE-LET
116
PROPERTIES



ESTATE MANAGEMENT & ANTI-SOCIAL BEHAVIOUR

Throughout the year, our staff work alongside residents to resolve a variety of issues. There is often no quick fix to resolving anti-social behaviour, and it takes time and mediation to resolve some cases. Once a case has been created, we work with residents and other agencies to provide advice and guidance. In some cases, we are required to issue warning letters and take legal action.

We take a preventative approach to anti-social behaviour and ensure all our new tenants are aware of their responsibilities from the start of their tenancy. We aim to do as much as possible to ensure tenants enjoy a peaceful, clean and tidy environment. This can be achieved by having a pro-active and strategic approach to the management of our properties, estates and neighbourhoods.

In 2019 /20 we:

- Dealt with 77 complaints of anti-social behaviour, a significant decrease from the previous year. The majority of complaints were for minor breaches of tenancy, simply requiring staff to speak to parties involved.
- Resolved over 97% of cases within prescribed timescales, an increase from the previous year.
- Issued notices and recovered eight properties that were identified as abandoned. This is on par with the previous year and staff continue to highlight to tenants the need to follow appropriate termination procedures to end their tenancies.
- Carried out regular estate inspections to ensure a high standard of grounds maintenance and cleanliness. The purpose of the visits was to identify issues needing addressed to help keep the estates safe, clean and tidy. A number of the inspections were carried out with tenants and key stakeholders, and were advertised in advance.
- Completed the annual Garden Competition, recognising gardens across our estates that had achieved a high standard of care and gave out over £800 in garden improvement grants.
- Completed weekly checks of all communal areas within flatted blocks to make sure they were being maintained and identified areas for improvements.
- Carried out successful joint operations with East Ayrshire Council to enforce measures against fly tipping, abandoned vehicles and other environmental hazards



Supporting Tenants

Atrium is here for customers who need a little extra support, whether that is to sustain their tenancies or to assist with financial worries. We offer direct assistance or signposting to relevant agencies, working with external partners and making sure we share useful information to help the customer.

Utility & Home Starter Packs

During the year, we introduced our Starter Packs for all new tenants to ensure they were in the best position to begin their tenancy, providing them with the essential items they required. Not every new tenant comes from having their own tenancy, and so does not always have the basic items needed to set up home. Others find moving to be an expensive time, with their money being

spent on larger items for their new home.

We identified this need following a number of cases where tenants faced considerable hardship. These were people whose tenancies had failed or whose Housing Benefit had been refused in the initial months, and who had no kitchenware or utensils. With a Scottish Welfare Fund Community Care Grant taking at least three weeks to be processed, these tenants were in difficult circumstances.

We introduced two different Packs, depending on assessed need:

- **Utility Pack** – given to all new tenants, including useful items such as toilet roll, kitchen roll, cleaning products, bin bags, washing up liquid, a basin, etc.

- **Home Starter Pack** – given to some new tenants, including household goods such as mugs, crockery, cutlery, a kettle and toaster.

We will be reviewing the success of the Starter Pack initiative before rolling it out for future years.

In addition to the Starter Packs, our staff offer additional support to new households after they sign up for a tenancy. This involves a named Officer keeping in regular contact with them until they have moved in. The Officer helps with many of the household changes at this time, such as ensuring utilities are in place, assisting with any changes in benefits, etc.

TENANT ENGAGEMENT

Working together for improvement, tenant engagement covers a variety of approaches whereby tenants help us evaluate and provide feedback on our services. We try to engage with tenants and other service users in a variety of different ways. Tenant engagement is about our tenants taking part in decision making processes and influencing decisions about housing policies, housing conditions, and housing (and related) services. It is a two-way process which involves the sharing of information, ideas and power.

In 2019/20 we:

- Conducted a full consultation exercise on the annual rent increase using a variety of media.
- Issued two newsletters, sent out updates on Universal Credit and issued adhoc information flyers.
- Increased the use of social media through SurveyMonkey, email contacts and SMS messaging.
- Conducted a calendar of Tenant Scrutiny Group meetings, supported by the Tenant Participation Advisory Service. The Tenant Scrutiny Group looked at performance across a range of Atrium services. Staff worked with the group to look at developing an allocations open evening; giving feedback on the Starter Pack initiative; feeding into the development of a new tenant portal and to review other existing services.



Money Advice

Many people struggle with finances at some point in their lives, and for those who need to reach out for help, we have our Money Advice Service. This service offers help with most money-related issues and has assisted many tenants to get back on track, like the one in the case study.

In 2019/20 we:

- Helped 270 tenants.
- Supported tenants to claim more than £1,525,276.12 in ongoing benefits.
- Accessed £32,570 of Discretionary Housing Payments.
- Secured over £104,324.46 in lump sum payments, including backdated benefits.

CASE STUDY

A tenant contacted us looking for help to make a Universal Credit claim, following a cancelled Housing Benefit claim. The tenant and their partner have four children and live in a 3-bedroom Atrium Homes property.

Our Money Advice team began by helping them complete a Benefit Check which highlighted that the family had not been claiming all their welfare entitlement. The team then helped them complete and submit applications online for:

- Universal Credit, requesting housing costs were paid to Atrium Homes as the tenant had arrears on their rent account.
- Carers Allowance (which the Benefit Check had shown they were eligible for).
- Council Tax reduction.

In addition, the family was unaware they could apply to the Scottish Government for a Best Start Grant to buy items for their new baby. The Money Advisor assisted with this as well, applying for Best Food vouchers so they can buy fresh fruit, veg, dairy products and baby formula milk.

The family was delighted with the assistance they had received from Atrium, as their household income was significantly increased following these awards.

Asset Management Strategy

HOMES FIT FOR 21ST CENTURY LIVING STANDARD (HFF21CLS)

Staff worked progressively throughout the year to refine the detail of investment works specific to individual property types; the 'Core Improvement Works' for each type (see below); and any additional works that may be necessary in each of the property types, to form the basis of this project.

In addition, it was necessary to work through a lengthy procurement process to ensure we had the right type of contractor(s) on board who could meet our quality standard and timeframe for delivery.

We selected a 'Framework of Contractors' who were capable of working with us to deliver the HFF21CLS project and from this appointed CCG (Scotland) Ltd on 21 June 2019 to carry out the first phase of works. The HFF21CLS project is programmed to be delivered in full over a number of phases, throughout a 5-year period.

Considerable planning and pre-works activity was required, including survey work undertaken by both Atrium and CCG to enable works to commence on the first phase in September 2019. This phase saw 44 properties in Bellfield and seven in Burnpark brought up to the new standard.

The 'Core Improvement Works' completed in most homes included providing new kitchens, bathrooms (including a shower upgrade), internal wall insulation energy efficiency works, upgrading of electrics and safety detectors, and renewing extractor fans.

In addition, during the course of the project we also undertook work identified on an individual basis to improve each home.

We also completed seven of what we called 'Pilot Void' properties in various other areas across our housing stock. Working within the pilots provided a small-scale sample to confirm that the investment identified for those build types would enable the properties to meet the new standard before rolling it out on a larger-scale in upcoming phases. It also allowed the contractor to become familiar with our range of housing stock.

During this phase, three homes had bathroom adaptations completed to meet the specific needs of tenants. Each of these properties had all other items in the bathroom upgraded at the same time so that the whole room contributed to the overall standard. Government grant funding assisted in the installation of the medical adaptations.

The first phase of works was completed in February 2020, following which tenants were invited to complete a customer satisfaction survey. The overall feedback was positive. Some tenants took the opportunity to provide comment on elements of the project where they felt improvements could have been made and this has been taken on board for future phases.

The total investment for the first phase of works, including medical adaptations, was around £725k (including VAT).



NEW BUILD ACTIVITY

Sunnyside Square, West – Shortlees

Following a Tender Application to the Scottish Government (SG), we received grant approval in May 2019 for this project. A grant subsidy of £2,380,076 was awarded against a total project cost of £4,395,960.

Statutory applications, such as Demolition Warrant, Planning, Roads Construction Consent and Scottish Water Technical Audit, were approved during 2018/19. Together with SG approval, these are required to be in place before accepting the contract and commencing works on site.

We utilised the Scottish Procurement Alliance (SPA) Housing Construction Framework to procure a contractor. McTaggart Construction was awarded the contract on 31 May 2019 and works commenced on site on 1 July 2019. The homes are due to be completed by early November 2020, following the temporary closure of the site due to the Coronavirus pandemic.

The development at Sunnyside Square, West, when complete, will provide 27 new homes consisting of three general needs houses, 16 older and ambulant-disabled bungalows, four general needs flats and four amenity flats.

Major Repairs & Improvements



PLANNED INVESTMENT 2019/20

Although we were busy delivering the first phase of our HFF21CLS project this year, there was also a requirement for additional investment works to be undertaken outwith this. Through our procurement practices, we continued to pursue best value by obtaining quotes from a range of local contractors. This resulted in us using Atrium Property Services, Affiniti Response, CCG (Scotland) Ltd, Caledonian Windows, City Technical Services, ECG Home Improvements, James Frew Ltd, Milligan Electrical, Prater Contracts and TNC Electrical for component replacement works.

The table opposite shows the number of units where activity was completed:

SCOPE OF WORKS	NO OF UNITS
BOILERS	7
KITCHENS	4
ELECTRICAL REWIRES OR MAJOR IMPROVEMENTS	5
BATHROOMS	3
HEATING SYSTEMS	1
WINDOWS	3
EXTERNAL DOORS	2
WET FLOOR SHOWERS (MEDICAL ADAPTATIONS)	12

→ Overall, we spent over £132,795 on these works in 2019/20.

FLOODING IN SHORTLEES

In July 2019, there was a flooding incident in the Shortlees area. As a result, three properties in Loreny Drive suffered from severe water damage which required extensive repairs works carried out under our insurance policy, to bring them back to standard. In addition, we took the opportunity to extend the works required to ensure all three properties met the new HFF21CLS on completion.

EXTERNAL WALL INSTALLATION (EWI)

Nether Robertland, Stewarton

The Energy Agency provided Client Agent Services for this project, similar to that provided for the EWI works at Meikle Court, and negotiated a further contract with SERS Ltd, to deliver this project on Atrium's behalf.

SERS commenced works to 23 No Fines properties in January 2019 and practical completion was achieved in June 2019.

The project was secured by The Energy Agency through the Scottish Government's Home Energy Efficiency Programme Scotland, Area Based Scheme (HEEPS - ABS) with a small monetary contribution through the Energy Company Obligation (ECO) funding.

Atrium's total investment for this project was £183,537.98, from a total project cost of £191,675.48.

The Courts, New Farm Loch

Atrium entered into a new Client Agent Services contract with the Energy Agency who appointed AC Whyte via the Scottish Procurement Alliance (SPA) Framework to undertake these works on Atrium's behalf.

AC Whyte commenced EWI works to 27 No Fines houses in the 'Courts' in January 2020. The works were completed in mid-September and it is anticipated that this type of activity will continue throughout the Courts in New

Farm Loch on a phased basis.

This project was also secured through the HEEPS - ABS programme, with a small contribution from ECO funding. Estimated investment by Atrium is £213,737, to meet a total project cost of £235,581.

CYCLICAL MAINTENANCE

The core cyclical activity of gas servicing and landscape maintenance proceeded as scheduled, undertaken by City Technical Services and Euro Environmental Group Ltd (EEG), respectively. Alwurk Electric Ltd carried out electrical testing at 183 properties.

'OFF THE SHELF' PURCHASES

Atrium purchased three additional properties – in Galston, New Farm Loch and Burnpark – between January and March of this year. A total of £120k was awarded to Atrium towards the purchase of these properties through the support of a 'Second Hand Homes' grant from the Scottish Government.



NFL EWI BEFORE

NFL EWI AFTER



NRL EWI BEFORE

NRL EWI AFTER

COMMUNITY BENEFITS

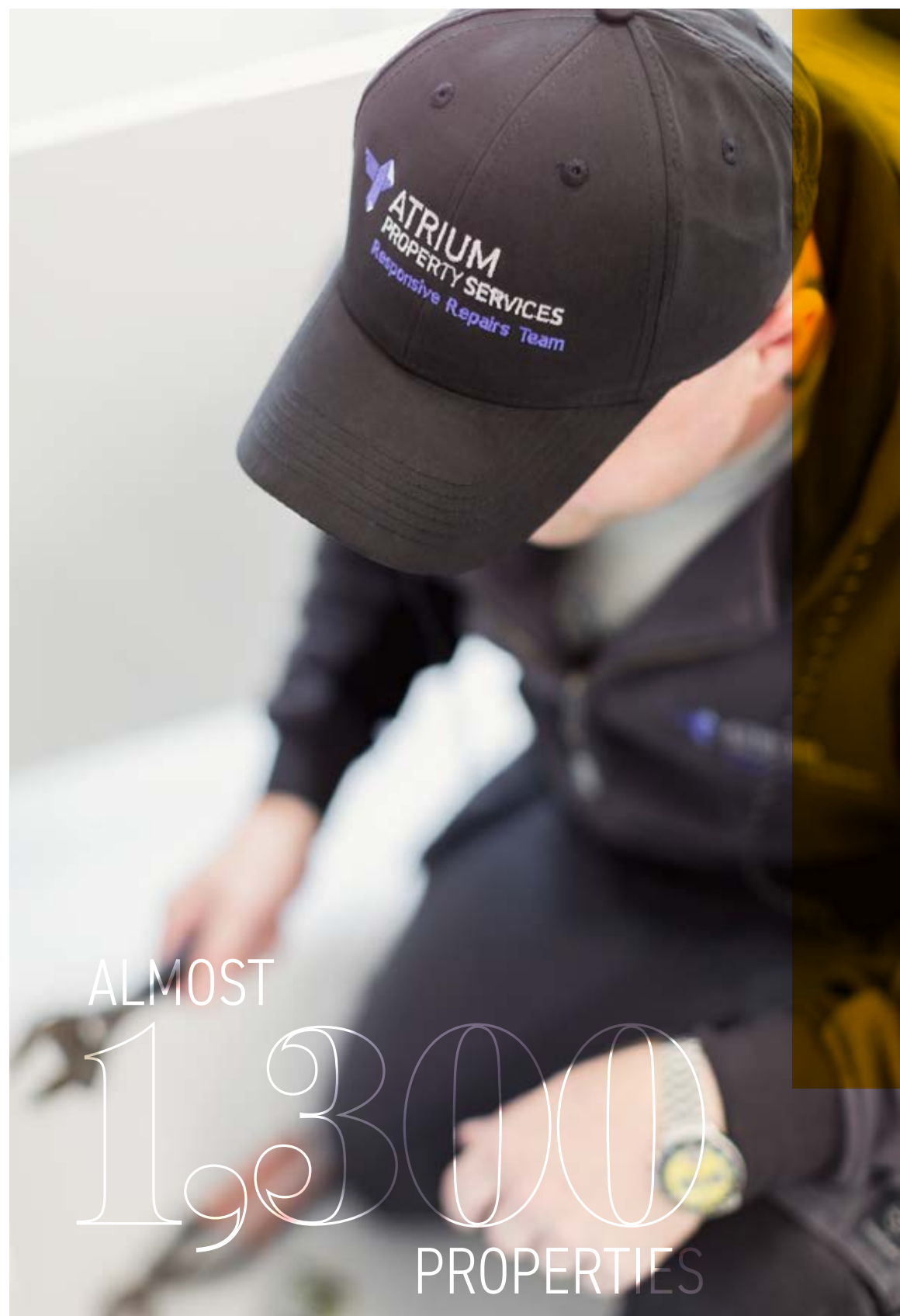
Community benefit activity has contributed to a range of local opportunities relating to employability, developing skills and supporting the wider community.

New Build Activity Sunnyside Square, West

McTaggart Construction has delivered a range of community benefits during the construction phase of the new build homes. A number of work placements were created and the works also allowed the contractor to hire a new apprentice, as well as continuing to support existing apprenticeships. Opportunities were also made available to local sub-contractors to be involved in the construction of the homes.

HFF21CLS - CCG

Similarly, CCG delivered community benefits during the first phase of the HFF21CLS project in relation to work placements and supporting existing apprenticeships. CCG have also offered a monetary fund to assist in the wider community.



Looking after almost 1,300 properties - as well as extensive open landscape areas - is a big job. However, at Atrium we know the quality of a home and its surroundings can affect every aspect of a person's life. We also realise that our performance in this service area shapes how many customers view Atrium and our performance overall. We constantly strive to improve the service

offered, listening to our tenants' views on matters such as response times, value for money and our appointment system, and using their feedback to ensure we take good care of our properties so our tenants can live in a safe, comfortable environment - and to make sure we protect our assets and investment.

4,011

ONE OFF REPAIR REQUESTS

853

EMERGENCY REPAIR REQUESTS

3,158

NON-EMERGENCY REPAIR REQUESTS

93.32%

REPAIRS COMPLETED RIGHT FIRST TIME

REACTIVE REPAIRS

We aim to offer a prompt, high quality service to make sure our properties are always well looked after and meet the needs and expectations of our tenants.

In 2019/20 we:

- Recorded and processed 4,011 one-off repair requests (approximately 77 per week), an increase of two per week from the previous year.
- 853 were emergency repairs (an increase of 45% on the previous year). On average, emergency repairs took two hours to be completed from the time reported (against 1.93 hours last year).

- 3,158 were non-emergency repairs, completed in an average of 5.71 days (against 5.04 days last year).

- on average, each property within the stock had 3.43 repairs carried out over the year, a small increase from the previous year.

- Completed 93.32% of all repairs right first time.

Atrium had 1,170 properties with gas installations that require to have an annual landlord safety check carried out. Over the 12 month period, only two properties had their Certificate (CP12) expire prior to renewal.



MEDICAL ADAPTATIONS

We believe it is important to help people who have support needs to live independent lives and be able to stay within their current property. With funding of £69,708 from the Scottish Government (Stage 3 grant funding), we completed over 80% of approved applications within the year, taking an average of 89 days from acceptance. Works completed included:

- 10 wet floor showers
- 7 handrails
- 9 grabrails
- 5 bannisters
- 3 stair lifts
- 3 ramps

These adaptations allow people to remain within their existing home, by adapting it to their needs.

Atrium Initiatives



Atrium Initiatives was formed in 2005. It is a wholly owned subsidiary of Atrium Homes and delivers a number of complementary services.

- It is registered as a Property Factor by Scottish Ministers under the Property Factors Act 2011. It provides residential management services through a service called Choice Places.
- It is registered as a lettings agent within

East Ayrshire and lets properties at market rent levels. It does this under the banner of Choice Lets.

- It employs a number of tradesmen who, under the banner of Atrium Property Services, provide reactive and void repairs services exclusively to Atrium Homes.
- It provides professional services to other organisations.

CHOICE PLACES

As a property factor, Choice Places provides landscaping services to over 1,450 owners in estates across East Ayrshire, plus an additional 800 properties belonging to Atrium Homes.

In the course of last year, it retendered these services and from 1 April 2020 appointed John O'Conner Ltd as its landscape contractor. The retender was conducted through Public Contracts Scotland, in partnership with Atrium Homes, and was designed to obtain optimum value for money by determining

the outcome on a balance of quality and price.

In response to comments from customers in the 2018 Customer Satisfaction Survey, Choice Places upgraded its website to include more information on what services it was providing, including detailed maps of all areas under management. This facility allows customers to review their estate and determine which areas fall within Choice Places and which might be managed by others.

It has also included some important reference documents such as the standard Deeds of Conditions which apply to all of the mixed tenure (i.e. private owners and Atrium Homes' owned properties) estates under its management.

Choice Places has also developed a customer portal to allow customers greater access to their accounts and other elements of its activities. This will be released in Autumn 2020.

ATRIUM PROPERTY SERVICES

APS employed three operatives at 31 March 2020, delivering void and responsive repairs services to Atrium Homes and our customers.

In the course of the year, the team undertook nearly 1,842 responsive repairs, including emergencies and Right to Repair works. One hundred percent of these works were completed within the allocated time frame.

In addition, the team undertook void repair work to 125 properties in the year. The range of work includes inspecting, scoping and specifying the extent of the repairs needed to properties, as well as carrying out repairs themselves. Of the voids works undertaken by APS, 98.1% were returned within the allocated timeframe, with the remainder delayed for various reasons.

1,842
RESPONSIVE REPAIRS
UNDERTAKEN

SERVICES TO OTHERS

In the course of the year, Atrium Initiatives provided part-time interim director services to a Greater Glasgow area housing association. The contract ran from December 2019 to March 2020.

Atrium Initiatives

SUMMARY OF FINANCIAL PERFORMANCE

Atrium Initiatives continued to perform well financially during the course of 2019/20.

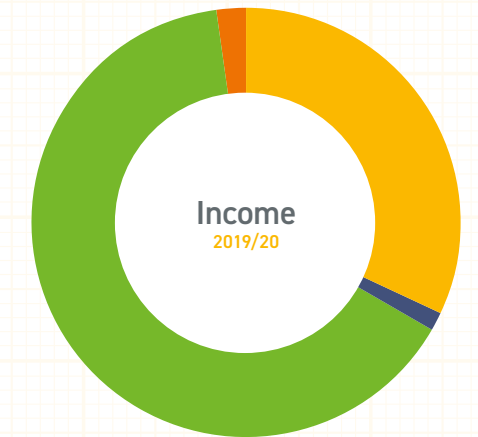
In the financial year 2019/20, Atrium Initiatives reported a pre-tax profit of £38.4k. This represents a modest 6.1% profit margin, which itself is a small increase on the 5.3% in 2019.

Turnover in the year was £626k, which was lower than 2019, largely because of lower levels of ad hoc work in the factoring division, the cost of which is recharged to owners at cost plus management charge.

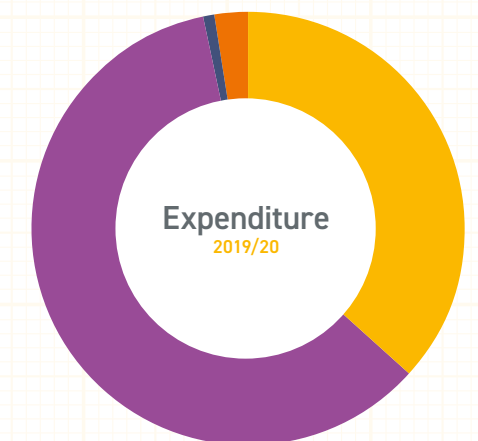
Atrium Initiatives was also able to make a Gift Aid payment of £35k to Atrium Homes (a registered Scottish Charity). This both reduces Atrium Initiatives' corporation tax liability and aids Atrium Homes' overall financial position.

The Balance Sheet also reported a small increase in the value of the fixed assets of the company, which primarily are the two market rented properties owned by Atrium Initiatives.

INCOME 2019/20	Total £	As %
• Factoring	200,966	32.1%
• Development	7,924	1.3%
• Property Services	405,182	64.7%
• Property Management & Rental	12,240	2.0%
• Interest Receivable	194	0.0%
Total	626,506	100%



EXPENDITURE 2019/20	Total £	As %
• Factoring	216,635	36.8%
• Development	0	0.0%
• Property Services	353,125	60.0%
• Property Management & Rental	4,492	0.8%
• Other Expenditure	13,836	2.4%
Total	588,088	100%
Surplus	38,418	



SUMMARY INCOME ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020 & COMPARATIVE

	19/20 £	18/19 £
Turnover	626,311	775,556
Administrative expenses	(585,791)	(732,248)
Operating profit	40,520	43,308
Interest receivable	194	511
Interest payable	(2,297)	(2,452)
Profit on ordinary activities before tax	38,417	41,367
Tax on profit on ordinary activities	(1,538)	(391)
Reserves carried forward	36,879	40,976





Atrium House
14 Central Avenue
Shortlees
Kilmarnock
KA1 4PS
atrium-homes.co.uk

19

20

*Sustainable Communities
Quality Affordable Housing
Life Chances for People*

