

# Report to Executive

Meeting Date: 2 August 2021  
 Portfolio: Economy, Enterprise & Housing  
 Key Decision: Yes (KD.18/21)  
 Within Policy and Budget Framework Yes  
 Public / ~~Private~~

Title: Use of Affordable Housing Commuted Sum Funding to bring empty properties back into use in collaboration with Brampton Rural Housing Society  
 Report of: Director or Economic Development  
 Report Number: ED.25/21

**Purpose / Summary:** The report outlines the opportunity to use affordable housing commuted sum funding held by the Council, sourced from developers' planning obligations, to provide grants to Brampton Rural Housing Society, in order to bring long-term empty properties back into use in Brampton and Hallbankgate, to be let at an affordable rent to local people. The proposal would provide the combined benefits of bringing long-term empty properties back into use and delivering rural affordable housing.

**Recommendations:** The Executive is asked to approve the proposal to provide grants to Brampton Rural Housing Society, from affordable housing commuted sum funding, towards the cost of acquiring and refurbishing long-term empty properties in Brampton and Hallbankgate, to be rented to local people at affordable rents. Executive is also requested to grant delegated authority to the Corporate Director for Economic Development, in consultation with the Portfolio Holder for Economy, Enterprise and Housing, to approve individual grants to speed up the process.

## Tracking

Executive:	N/A
Scrutiny:	N/A
Council:	N/A

## 1. BACKGROUND

- 1.1 An opportunity has arisen to work in partnership with Brampton Rural Housing Society (BRHS) to bring empty homes back into use for affordable housing in Brampton and Hallbankgate, supported by grant funding from affordable housing commuted sum monies held by the Council, relating to Section 106 planning obligations.
- 1.2 Previously, the Council has delivered six properties at New Acres, Raffles and two dwellings at Dale Meadows, Cummersdale through this route, all new build homes for low cost home ownership through the Council's own discounted sale scheme. It has, however, been difficult to identify willing developers to use this funding on new build developments, as there is sometimes a reluctance to deliver additional affordable homes on private developments.
- 1.3 In respect of funding the proposed initiative, the majority of the affordable housing commuted sum funding currently held is allocated to be spent in the Carlisle Rural East housing market (which encompasses the Brampton area) or in some cases the District if a suitable scheme can't be identified in the market area. If the funding is not spent within a fixed period (usually ten years from receipt of the final tranche) then the funding has to be returned to the developer. The Council currently holds just over £600,000 of funding available for delivery in Carlisle Rural East, made up of a number of individual commuted sum receipts, listed in *Appendix 1*. These sums can be pooled to deliver affordable homes and the oldest funding pots (at greatest risk of being paid back to the developer) would be spent first.
- 1.4 BRHS have been providing quality affordable homes for rent to local people in Brampton and the surrounding area since 1926 and they currently own and manage 148 properties, with average rent levels at the end of 2020 an extremely competitive £81 per week, when compared with Housing Association rents in the area. A letter has been provided from BRHS's Business Manager & Secretary, included as *Appendix 2*, setting out their support for this proposal to deliver affordable rented housing through bringing empty homes back into use, as well as operational details of the organisation. A concise history of the Society is provided in *Appendix 3*, as well as a copy of BRHS's Annual Report 2020, included as *Appendix 4*. BRHS have indicated that they would initially be interested in acquiring six long-term empty properties in Brampton and Hallbankgate to bring back into use as affordable homes supported by Council grant; however, if the initiative proves successful they may be interested in delivering additional properties over time.

- 1.5** This proposed initiative would have dual benefits, as it would deliver affordable rural homes for rent - which is the greatest need by tenure identified in Carlisle's most recent SHMA (Strategic Housing Market Assessment) from 2019, while simultaneously bringing long-term empty properties, which can be a blight on local communities, back into use.

## **2. PROPOSALS**

- 2.1** The following is a summary of the provisional headline arrangements recommended, following discussions between the two parties:-

- The Council's Empty Properties Officer would let BRHS know when suitable empty properties become available in Brampton or Hallbankgate (they will need to have been empty for a minimum six months to qualify for a grant)
- BRHS have indicated that they would primarily looking at investing in properties with a market value in the £100,000 to £150,000 price range, as the cost to BRHS and the level of Council grant required would be prohibitive on more expensive properties
- BRHS will have full discretion on whether they wish to proceed with individual empty properties – they are amenable to invest in properties requiring refurbishment (e.g. new kitchens and bathrooms) but would not wish to take on properties they considered were in an “irredeemable” state of disrepair
- Grant rates provided by the Council:-
  - 40% of market value of property (valuations would need to be approved by the Council's Property Services)
  - 50% cost of refurbishment (estimates to be provided to the Council)The balance would be paid by BRHS
- The Council would pay for property surveys (typically around £450)
- A legal agreement would need to be drawn up, including ‘clawback’ arrangements should there be any change of the tenure of any of these properties within a prescribed period (as detailed in section 2.3 of this report)
- Each organisation will fund their own legal fees (the Council would use the Affordable Housing budget to fund this – estimated cost: £1,100, based on the standard Section 106 fee).

- 2.2** The suggested grant rates were agreed between Council Officers and BRHS taking the following factors into account:-

- The 40% grant on the property value is slightly higher than the 30% previously allocated to New Acres and Dale Meadows; however, these properties were for

low cost home ownership (discounted sale) and the discount was based on the discount on the Council's low cost housing scheme with the remaining 70% being paid by an applicant on our register. In this case, the properties would be for an affordable rent requiring a long payback period on BRHS's investment. The Society would also be incurring ongoing maintenance costs as these are older properties, as well as management expenses (including staffing and maintain office premises in Brampton). Further information on BRHS's business model is included in *Appendix 2*.

- The 50% grant towards refurbishing the empty properties is based on a proposed arrangement whereby the cost of bringing the properties back to a lettable standard would be split evenly between the Council and BRHS. The Council currently pays between £3,000 and £5,000 to the owner or landlord on grants towards bringing properties that have been empty for two years or more back into use.

**2.3** The following clawback arrangements would apply in the event of the sale or change of tenure of any properties benefitting from Council grants, prior to agreed timescales:-

- Empty properties (50%) – the grant would be repaid in full if the property was sold within five years (this is consistent with the Council's usual empty property grant policy).
- Property acquisition price (40%) – the grant would be repayable in full if the property was sold within five year, thereafter there would be a sliding scale until 20 years after the grant was awarded (e.g. if the property was sold after 10 years 50% of the grant would be refundable; of if it was sold after 15 years 25% of the grant would be refundable to the Council).

**2.4** It is recommended that Executive should give delegated authority for the Corporate Director for Economic Development to approve individual grants in liaison with the Portfolio Holder. Otherwise, it is considered opportunities would be lost if BRHS are not in a position to make an offer as empty properties become available in Brampton and Hallbankgate, and they may lose out to other interested parties.

**2.5** It had initially been considered that BRHS were the only practical partner to deliver this initiative in the Carlisle Rural East housing market area, due to the small-scale nature of the scheme, based on bringing individual long-term empty properties back into use, as they become available over a period of time. This is because, unlike BRHS, the local Housing Associations are Registered Providers, who can access

affordable housing grant from Homes England to develop at scale. However, following advice from Finance colleagues, an e-mail has been sent to all of the Registered Providers with general needs housing stock located in the Carlisle Rural East Housing Market Area: Riverside; Castles & Coasts; Home Group; and Eden Housing Association, to ensure the Council is operating in a transparent way, and not discouraging competition. All four Housing Associations have responded to confirm that they would not be interested in proceeding with this further, as the proposal doesn't fit with their business model, and would be happy for the initiative to be progressed with BRHS.

### **3. Empty Properties Perspective**

- 3.1** The comments in section 3.2, below, have been provided by the Council's Empty Homes Officer. The more expensive property on the market at the time of writing, in the region of £250,000, would not be considered for this initiative.
- 3.2** "This represents an outstanding initiative to reinstate empty properties for local use and to help contribute to the reduction of substantial amount of empty homes that are in the district; whilst also providing much needed local support of affordable rental homes.

Communities are entitled to quiet enjoyment and high levels of empty properties are recognised as having a serious impact on the viability of communities in terms of blight on neighbourhoods and potential for anti-social behaviour to occur. Empty homes are also a wasted resource and when brought back into use contribute to an increase in the supply of housing. Dealing with empty properties can therefore have social, economic and regenerative benefits.

Government data released in November 2020 showed a massive year on year rise of over 42,000 to a total of 268,385 long-term empty homes in England. This is the biggest rise since current records began. Ministry of Housing Communities and Local Government (MHCLG) data showed that this was the fourth consecutive year in which figures had risen. Last year's rise of almost 20% means that the national total has increased by over a third (34%) since 2016. Meanwhile, in England it is reported that 98,300 homeless families, including over 129,000 children languish in often unsuitable and over-crowded temporary accommodation at a cost of £1.2billion a year.

According to the Council Tax Base (CTB) data released in Oct 2020 the North West is the worst affected region in the country, with Carlisle having the sixteenth worst

ranking of the 343 Local Authorities in England. Figures submitted to the Council Tax Base in September 2020 (this is an annual submission) indicate that Carlisle District had 1077 empty properties (residential dwellings) this equates to approximately 2.01% of homes in the District – this is double the national average of approximately 1.1%.

There are currently 23 empty properties within the Brampton and Hallbankgate community. An empty property is identified as being empty and unoccupied for 6 months or more and is substantially unfurnished. BRHS are clear that they are only interested in quality properties and within close proximity of the town centre. After a pre-selection discussion I recently sent a letter to 12 property owners highlighting the potential opportunity for BRHS and Carlisle City Council to purchase their properties.

I received four responses. One person had just sold his home at a significantly low value after 2 years of desperately trying to sell the property – he would have been very interested in the option had it been offered. The other 3 properties include a bungalow, a 3-bedroom house and a flat within Brampton and have current sale valuations of £250,000; £110,000; and £55,000 respectively. These properties are for sale on the open market and two have interest but, progress is worryingly slow for them and would be interested the proposal if offered at this juncture. Of note, the Executor carrying out the sale process of the bungalow would very much like to sell the house to the community as he sees that as a nice way to pass on the home in remembrance of his mother.

All contacts have been informed that the current consultation is still at the negotiation stage and requires procedures and agreements to be put in place before any formal arrangements could proceed (which could take some time) and therefore each property owner has been advised to continue with their current methods of disposal and not to rely on this potential offer.

It is suggested that a letter is sent out twice each year to potential owners. As highlighted earlier, an empty property is defined as being unoccupied for a minimum 6 months so this timeframe would capture new properties added to the list.

The process will need to be pre-defined and in place to operate quickly and efficiently to be attractive to potential sellers and to be successful. It is recommended that the funding is available for a minimum of 5 years.

Carlisle City Council is committed to tackling Empty Homes and uses multiple avenues to address this concern from providing support to enforcement but, it is evident that the District has an issue with level Empty Homes. The current proposed initiative to work in collaboration with The Brampton Rural Housing Society to purchase empty homes for local affordable rental provision is very warmly welcomed.”

#### **4. RISKS**

- 4.1** This would be a flexible arrangement for both parties – BRHS would only acquire properties they were interested in managing through this process, and the Council would still be able to look for other schemes to positively use its affordable housing commuted sum funding, should suitable opportunities arise.
- 4.2** All properties considered for grants would be subject to a property survey, such as a ‘Homebuyer’s Report’ and property valuations would be checked with Property Services.
- 4.2** BRHS have indicated they would typically be looking at properties up to a maximum of £150,000, so the 40% grant element on the purchase price would not usually exceed £60,000.
- 4.3** Although BRHS are prepared to invest in properties requiring refurbishment (e.g. new kitchens and bathrooms) they would not wish to take on properties they considered were in an “irredeemable” state of disrepair, which will keep the cost or repairs to a reasonable level. Property repair costs will be discussed through consultation with the Council’s Empty Homes Officer.
- 4.4.** BRHS are a respected provider of affordable housing, who have been established for almost a century. They have provided a copy of their Annual Statement for 2020 (included as *Appendix 4*) showing that the Society is in a sound financial position. The Statement also demonstrates that their properties are generally affordable, with average rents of £81 per week at the end of 2020; below typical rents for comparable Housing Association properties.
- 4.5** BRHS have confirmed that they have no intention of selling any empty properties brought back into use for affordable housing under this initiative in the short-term. However, section 2.3 of this report details the ‘clawback’ arrangements that would apply in the event that the properties were sold, or the tenure changed, before

agreed timescales. This would be set out in the legal document covering the grant agreement.

- 4.6** All Registered Providers owning general needs affordable housing stock in the Carlisle Rural East housing market area have been consulted and did not wish to take part in the initiative as it does not fit with their business model (as detailed in section 2.5 of this report) so it is considered BRHS are the only viable partner to deliver the initiative.
- 4.7** There is an inherent risk in not taking this initiative forward, as it has been difficult to find suitable schemes to spend affordable housing commuted sum receipts, and this is time-limited funding, and has to be returned to the developer if not spent within the period stipulated in the Section 106 Agreement (usually ten years from receipt of the final tranche).

## **5. CONSULTATION**

- 5.1** The Council's Housing Development and Empty Homes Officers have held detailed online consultations with Brampton Rural Housing Society to develop this initiative, and the Empty Homes Officer has facilitated socially-distanced visits to empty properties in Brampton for BRHS's Manager and Board Members.

## **6. CONCLUSION AND REASONS FOR RECOMMENDATIONS**

- 6.1** Approval of the recommendation would deliver the double-benefit of bringing long-term empty homes back into use while simultaneously providing affordable rented homes for local people in Brampton area. The Council's Empty Homes Officer has identified an interest in the proposed scheme from a number of owners of empty properties in Brampton, which would facilitate delivery of the initiative. It is recommended that as well as approving the affordable/ empty homes initiative, that Executive also gives delegated approval to the Corporate Director of Economic Development in consultation with the Portfolio Holder for Economy, Enterprise and Housing to approve grants to Brampton Rural Housing Society as suitable empty properties become eligible in Brampton and Hallbankgate. This approach would speed up the process to ensure that BRHS did not miss out on opportunities to bring long-term empty properties back into use as they become available.

## **7. CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES**

- 7.1** "Address current and future housing needs to protect and improve residents' quality

of life.”

**Contact Officer:**           **Jeremy Hewitson**

**Ext:**   **7519**

**Appendices**                   *Appendix 1 – Commuted Sum Funding Held for Carlisle Rural East*  
**attached to report:**       *Appendix 2 – Brampton Rural Housing Society Supporting Letter*  
                                      *Appendix 3 – A History of Brampton Rural Housing Society*  
                                      *Appendix 4 – Brampton Rural Housing Society Annual Report 2020*

**Note: in compliance with section 100d of the Local Government Act 1972 the report has been prepared in part from the following papers:**

- **None**

#### **CORPORATE IMPLICATIONS:**

**LEGAL** – Any grants issued should be properly documented and monitored. The procurement issue arising from this proposal is covered in the Finance comments.

**PROPERTY SERVICES** – No property comments.

**FINANCE** – The total funding received through S106 agreements is held separately within the Councils records with the agreement that £600,816 is for the provision of Affordable Housing in the east of the Carlisle District. This report requests the release of those funds to allow the scheme to progress. The capital programme for 2021/22 will need to be increased. The scheme will be monitored as part of the usual budget monitoring procedures. If funds are not spent in line with the timescales set out in the agreement, they will have to be repaid.

The sums would be provided to Brampton Rural Housing Society in the form of a grant for either the acquisition or renovation of an empty property with 40% of market value of property acquisition price being provided (subject to appropriate valuations) and 50% cost of any refurbishment undertaken.

The Council would need to consider whether it was appropriate to use BRHS as the sole partner in this scheme without offering any expression of interest in the proposals to other Housing Associations. Failure to do so may lead to accusations of anti-competitive behaviour.

**EQUALITY** – None.

**INFORMATION GOVERNANCE** – The service should review its existing privacy information against the data protection principles to ensure the intended contact with potential owners and stakeholders is addressed. This could then be signposted to in the letter.

### ***Appendix 1 - Commuted Sum Funding Held for Carlisle Rural East***

<b>Planning Application Location</b>	<b>Balance Outstanding</b>	<b>Expiry date</b>	<b>HMA</b>	<b>Finance Ref</b>
11/0181 Kingswood Educational Centre, Cumdivock	£23,580	10 years from receipt of final tranche (earliest 2031)	District	11045
13/0450 West Quarry House, Wetheral Pasture	£55,500	Dec 2026	Rural East	11056
16/0097 Village Green, Brunstock	£30,990	13/04/27	Rural East	11064
12/0811 Garth House, Greenfield Lane, Brampton	£78,450	17/06/29	District	11065
13/0456 Fallowfields, Wetheral	£57,000	??2028	Rural East	11069
16/0812 The Whins, Heads Nook	£232,496	July 2029	Rural East / District	11071
12/0678 Land between Lomond & Gladsmuir, Broomfallen Road, Scotby	£14,250	5 years from receipt of final payment  (earliest July 2024)	District	11076
18/1114 Croft Villa, Wetheral	£108,550	10 years from receipt of final tranche – Feb 2031	Carlisle Rural East/ District	11084
	<b>£600,816</b>			

## ***Appendix 2 – Brampton Rural Housing Society Supporting Letter***

### **Brampton Rural Housing Society**

The Old Brewery Craw Hall Brampton Carlisle CA8 1TR

Tel/Fax: 016977 2323

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Office Opening Hours  
Mon-Fri 9.00am-1.00pm

Jeremy Hewitson  
Housing Development Officer  
Economic Development  
Carlisle City Council  
The Civic Centre  
CARLISLE  
CA3 8QG

27 May 2021

Dear Jeremy

#### **Purchase of Empty Properties in the Brampton & Hallbankgate areas**

Further to the meeting this morning regarding the above, I confirm that Brampton Rural Housing Society (BRHS) would agree, in principle, to taking this scheme forward and feel that it would benefit the Brampton community and would also assist the City Council in both reducing the number of empty properties in the Carlisle District and in the provision of low cost housing in line with the policy on commuted sums.

In our discussions with yourself and Jack Dillely this morning, I understand that there is the potential for the City Council to offer funding for surveys (or House Buyer's Reports) for properties identified and deemed appropriate for the Society's needs, to provide 40% of the asking price of any property and 50% of any costs incurred in bringing properties up to a lettable standard. BRHS would pay the remaining cost of the property and repairs and any associated legal fees.

BRHS made the decision, a number of years ago, to dispose of its properties in more rural areas due to a lack of demand in those areas (partly due to the closure of schools and amenities in the smaller villages and the withdrawal of regular public transport making them less attractive to a high proportion of our housing applicants). They are put on the open market as and when they fall vacant. The proceeds from these property sales are held in reserves so that, when opportunities arise, the Society can increase its stock of properties in Brampton and Hallbankgate where there is still significant demand for good quality rented property.

In broad terms, when the Society sells a property in one of the outlying villages, it receives an average of £100,000 in funds, which falls significantly short of the open market value of *equivalent* properties for sale in Brampton or Hallbankgate, where the Society would estimate it would need to pay around £150,000 - £160,000 for like for like replacements. So, as the stock of properties in the outlying rural area has decreased, it has not been possible to fully match this with an increase of properties in Brampton or Hallbankgate.

Over the course of the last twelve years, the Society has invested £2.0m from capital reserves in acquiring three properties from a local private landlord, buying all ten low cost properties on the Story Homes development at Station Road in Brampton and building four properties at Greenhill, Brampton (having demolished two properties which were subsiding). In the same period a total of twenty properties have been sold in outlying rural locations and two demolished for the Greenhill development. The effect of this is that the Society's total stock of properties has dropped from 153 at the end of 2008 to 148 today. The cost of housing land in Brampton remains prohibitively expensive for social housing purposes whilst suitable sites are very thin to the point of non-existent.

As you know, we are now in the final stage of negotiation with Story Homes to purchase all ten of its social housing properties on the site at Carlisle Road, Brampton for which the Society has set aside £1.1m. All of these purchases and developments have been met from the Society's own funds (as is all property maintenance and refurbishment and administration costs) and we receive no grants or assistance from public funds. The Society's average rent at the end of 2020 stood at £81 per week (well below that charged by both social and private landlords in the area), and as our office is in Brampton, our Members and staff are well known and well respected by our tenants, our contractors, and the community at large.

The Society's voluntary Board members are keen to further increase its stock of properties in Brampton and Hallbankgate to meet the needs of those living and working in the area. There are currently fifty seven applicants on the Society's waiting list and, as our current tenants are part of very settled communities, we are unlikely to be able to accommodate even half of those wishing to be considered for properties with the Society over an outlook period of five to seven years. The Board is conscious though, that the funds currently held by the Society are to benefit those in housing need in and around Brampton in the most cost effective way possible, and to purchase properties at full market value (and to undertake any necessary repairs and improvements) would not be economically viable at this time. Therefore, the opportunity to purchase properties in partnership with the City Council, at a discount of 40% as discussed today, would be of huge benefit to this community for many years to come.

I attach the history of the Society and the Annual Report 2020 for information and trust you will contact me if you require anything else.

I hope that we can reach an agreement on the terms set out today and look forward to hearing from you.

Best Regards.

Yours Sincerely

Julie Whitlock  
Business Manager and Secretary

***A charitable Housing Association registered with the Registrar of Friendly Societies No. 10453R***

### ***Appendix 3 – A History of Brampton Rural Housing Society***

**Brampton Rural Housing Society** is a special kind of local business. Many remember us as Brampton Public Utility Society. The change of name was made in 1998 to give a modern reflection of the services provided and which coincided with achieving charitable status. We exist to serve the people of Brampton and neighbouring parishes and our role is to provide good quality affordable housing for people living or working in our community, who cannot afford to buy a suitable home.

The Society was founded in 1926 by a group of local people including Charles and Lady Cecilia Roberts (of Boothby), their son Wilfrid Roberts and the local MP, Leif Jones, who were concerned at a shortage of decent, affordable homes to rent, at a time when the revolution in agriculture meant that many agricultural workers were not only losing their jobs to mechanisation, but losing their tied accommodation in consequence. It is probably the first example in the Country of a housing association set up specifically to meet the housing needs of a rural area.

With the initial help of a government loan and a small amount of capital from individual shareholders, the Society built over 100 houses in Brampton and the surrounding villages in the years between the wars. Although most of the houses were in Brampton itself, the Society was concerned that people employed in the rural community should have good quality housing close to where they worked. For this reason, homes were provided in villages east of Brampton to meet the needs of people who worked in local industries, such as mining and quarrying. Immediately after the war, 50 houses were built in Cotehill, for workers at British Gypsum's Cocklakes works.

We are a *charitable* housing association (though not a *Registered Social Landlord*) and exist for *public benefit* rather than private profit. The Society's income is generated from the rent it charges and no money from public funds is received, other than occasional grants available to landlords generally, relating to specific building or improvement works. The money we obtain from rents is ploughed back into maintaining and improving our homes. We ensure that the money we invest brings the homes that we offer for rent up to the best modern standards and makes them as warm and energy efficient as possible.

In the last few years, the Society's Board of Management have taken a decision to sell off properties in outlying villages as and when they fall vacant, due to falling demand for rented properties in these areas. When funds from the sale of outlying properties have accrued to a sufficient amount, the Society invests in more houses and flats in Brampton where there is still a demand for rental property. In 1991 Brampton Rural Housing Society completed building work on 24 two-bedroom flats at Allason Close, Brampton. It went on to build the Eco House at Elmfield in 2000 and in 2009 it purchased three properties in Dacre Road, Brampton. Over the course of 2011 and 2012, ten brand new properties were purchased from Story Homes on their Edmondson Close development, and in 2014 the Society built four new properties at Greenhill, Brampton. In total, since 1990, the Society has built 29 properties and purchased 13. During the same period, we have

disposed of 57 properties in the villages of Cotehill, Milton, Low Row, Sandysike, Kirkhouse and Halton-Lea-Gate. The Society currently has 148 properties.

Like all charities, we have to be accountable. This means we have to publish information about matters such as how we let our homes, set our rents, who the members of the Management Board are etc. Our accounts (which are independently audited) are available to anyone who wants to see them, and we produce an annual report that shows our performance over the last year.

We welcome applications from tenants, individuals and organisations who would like to become shareholding members of the Society, which requires that you buy a £1 share. Applicants for membership must first be approved by the Board of Management. Organisations must nominate a named person to be their Shareholding member. Members are our link with the community. They hold us to account, have the right to attend the Society's Annual General Meeting and elect the Board of Management from amongst the membership.

All members must be in sympathy with, and be prepared to uphold, the Society's aims. Individuals may join the Society if they live in the parishes of Brampton, Burtholme, Bewcastle, Carlatten, Castle Carrock, Cumrew, Cumwhitton, Farlam, Geltside, Hayton, Irthington, Kingwater, Midgeholme, Nether Denton, Upper Denton, Walton, Waterhead and Wetheral. Individuals may also join if they work for an agency or organisation which covers Brampton or any of the above parishes and has aims which are similar or complementary to the Society's aims. Organisations may join if they have social objectives which are broadly complementary to those of the Society and they have a base in, or provide services to, the community of Brampton or any of the parishes listed above.

The Board of Management must have between 7 and 15 members who are elected from amongst the membership at the AGM. In recent years we have found that a Board of ten works well for the Society. The Society's present board members embrace a range of professional skills including Architecture; Banking; Finance; Housing Management; Legal. The Board of Management are expected to attend five scheduled meetings over the course of the year and are occasionally called upon to attend additional meetings which have been called to deal with matters too urgent to wait until the next scheduled meetings. Board members also offer informal advice and support to the Society's four part-time members of staff who carry out the day to day work and help the Board deliver its policies and services. Board members receive no payment for their services and expertise, and neither they, nor any other shareholder, receive any dividend on their £1 share.

## Appendix 4 – Brampton Rural Housing Society Annual Report 2020

# 2020

## Annual Report 2020

### BOARD MEMBERSHIP

Prior to the Society's scheduled Board meeting in October 2020, Michael Barnes tendered his resignation. Mike joined the Society's Board in 2005, following his retirement as Senior Partner at Carlisle Shepherd Solicitors, and all members and staff, will sorely miss Mike's contribution to the Society's decision making and his good sense and good humour. I would like to acknowledge the many years he dedicated to his role as Board Member and his sound advice to Members and staff during that time.

The Society's Board Members attend approximately five formal meetings of the Board over the course of the year and give vital support behind the scenes, often reflecting areas of expertise or interest, in helping to deal with lettings, staffing appointments, repairs issues, and the finances of the Society. I would like to pay tribute to the work undertaken by members and also to acknowledge their support given to me throughout the past year. I, as always, wish to single out Douglas Thomas who, in his role as Vice Chairman, has worked tirelessly to advise and assist the Members of the Board as well as the Society's staff.

The Society welcomes applications to the Board from members of the community who are interested in the Society's work and feel that they have skills relevant to the Board. The Board are particularly keen to appoint an additional tenant member and any tenant interested in this role should contact the Society's office.

### REPAIRS AND IMPROVEMENTS

Reactive and cyclical repairs totalling £129,980 were undertaken during the course of the year. In addition, spending on improvements to both vacant and tenanted properties totalled £115,186. These improvements included full and partial refurbishments to vacant houses and the provision of new kitchens and bathrooms to occupied properties. Some planned cyclical and improvement works had to be postponed due to the Covid-19 health crisis, but we hope that these works will be carried out over the course of 2021.

### PROPERTY

At year end, the Society held 151 properties. Over the course of the year there were twelve vacant properties. At year end, two properties at South View, Kirkhouse and one property at Towerhead Road, Cotehill were vacant and for sale on the open market and a further three properties were vacant awaiting repairs works ahead of being re-let. One major refurbishment was required in 2020 and this work was still ongoing at year end. Minor works were undertaken to all other empty properties before re-letting.

The Society's Board continue to pursue possibilities to increase the stock of properties in Brampton in order to meet the housing needs of those living and working in Brampton and the immediate area.

I would like to remind tenants living in the Society's rural properties that they may be eligible to purchase their homes from Brampton Rural Housing Society at market value (this does not include tenants living in Brampton, Hawgate or Halkinriggate).

### STAFFING

Ian Banks (Finance Officer), Julie Whitlock (Business Manager/Secretary), Sylvia Wandle (Housing Administrator) and Ruth Robson (Administration Assistant) continued to deal with the Society's day to day business facing with myself, and other members of the Board.

Because the Society has such a small staff, it is essential that they work well together and I would like to acknowledge publicly the hard work and support that all members of staff have given to the Society and each other during 2020. In particular, I would pay tribute to Julie and her staff's positive attitude in dealing with the complications of the pandemic.

### COVID-19

All at Brampton Rural Housing Society acknowledge that 2020 was a challenging year for everyone. I know that some tenants continue to have financial difficulties because of the crisis and I would urge them to contact the Society's office if they are experiencing difficulties, particularly with rent payments.

The Society's Board suffered some disruption to regular meetings (including the AGM originally scheduled for May and postponed until June 2020), but the work of the Society has continued and the staff have maintained the office opening hours throughout the various restrictions.

The Society's regular contractors have also worked throughout the year and I would like to pay tribute to John Bell & Sons Plumbers, Thompson Heating Gas Engineers, Richard Mitchell Joiner, E & M Services (GB) Electrician, Andy Heap Electrical Contractor, Martin Dawkins Fencing Contractor & Dennis Wiggott Building Contractor who have all ensured that tenants were able to have necessary repairs, improvements and safety checks carried out in spite of the ongoing health crisis. I know that tenants and staff are grateful for their responsiveness and care over such a difficult period.

I hope that you all continue to stay safe and well and I know that we all look forward to more hopeful days ahead.

John Holland, Chairman

## Brampton Rural Housing Society

A Charitable Housing Association, Brampton Rural Housing Society Limited is a registered society under the Co-operative and Community Benefit Societies Act 2014 No. 10453R

The Old Brewery, Craw Hall, Brampton, Cumbria CA8 1TR Tel: 016977 2323

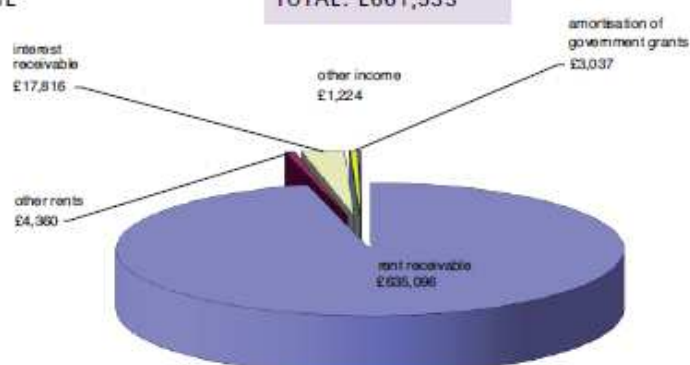
E-mail: ruralhousing@brhs1926.com

## Our Performance

## WHERE THE MONEY COMES FROM

## INCOME

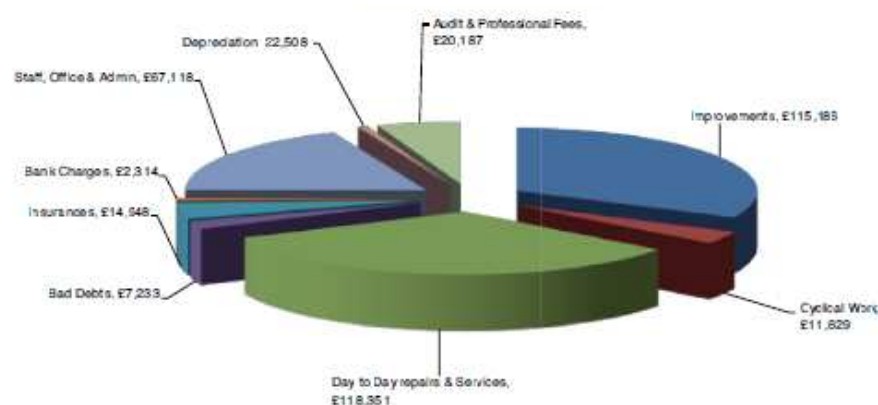
**TOTAL: £661,533**



## HOW THE MONEY'S SPENT

## EXPENDITURE

**TOTAL: £359,474**



REVENUE EXPENDITURE

Expenditure per  
Revenue Accounts  
£359,474

Operating Surplus for  
Year £302.059

Revaluation Surplus for  
Year £258,722

Total Surplus for Year  
£560.781

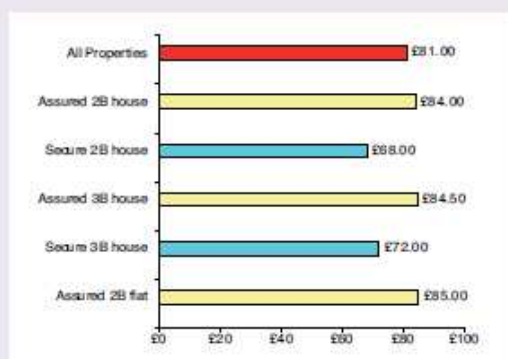
## BALANCE SHEET AT 31 DECEMBER 2020

FIXED ASSETS	£	£		£
Housing Property	9,148,745			
Office and Other Equipment	<u>2,458</u>			
Total Tangible Fixed Assets		9,151,203		
Current Assets	3,335,134			
Current Liabilities	<u>(47,584)</u>			
Net Current Assets		<u>3,287,550</u>	FUNDED BY:	
		12,438,753	Called up equity share capital	32
			Revaluation Reserve	4,520,658
			Capital Reserve	4,600,754
			Profit and Loss Account	<u>3,289,976</u>
Creditors due after one year	0			
Government Grants	<u>(27,333)</u>			
		<u>(27,333)</u>		
Total Assets Less Current Liabilities		<u>12,411,420</u>	Total Shareholders Funds	<u>12,411,420</u>

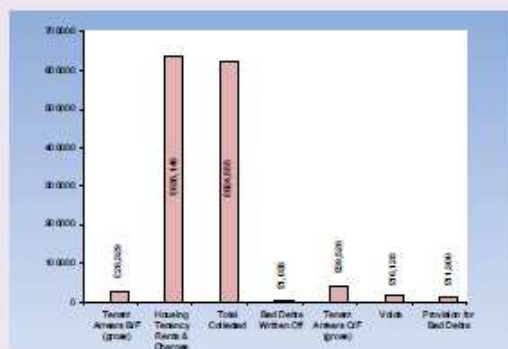
This is a simplified summary of the audited accounts, which may be obtained from our offices.

# Our Performance

## AVERAGE RENT LEVELS



## RENT CHARGED AND COLLECTED



During 2020 housing rents and charges totalled £640,508 an increase of £22,936 over 2019. This increase was, in part, because 2020 was a 53 week rent year.

Rents and charges owed to the Society at the year-end (excluding provisions) stood at £39,526 an increase of £11,197 on 2019's figure. This increase was, to some degree, due to the Covid-19 crisis and the financial impact it had on some of the Society's tenants. Bad debts totalling £1,033 were written off during the year and the bad debt provision was increased by £6,200 to £11,300, to reflect the increase in amounts of individual arrears owed by tenants which may not be collected in future years.

No rent increases were applied in 2020 to acknowledge the financial difficulties experienced by many tenants.

A total of £16,128 (2.5%) rent has been foregone due to void periods. £8,277 (1.3%) rent was foregone on three properties that were held for sale over part of 2020 and remained vacant at year end.

## LETTINGS – WHAT'S THE DEMAND?

At the 31 December 2020, there were 48 applicants on the waiting list. Our current stock of 151 properties is broken down as follows:

Area	Size	Type	Total
Allason Close, Brampton	2 Bed	Flat	24
Braeside, Milton	3 Bed	House	1
Capon Hill, Brampton	2 Bed	House	2
Crossgates Road, Hallbankgate	2 Bed	House	1
Crossgates Road, Hallbankgate	3 Bed	House	9
Dacre Road, Brampton	3 Bed	House	3
Dacre Road, Brampton	2 Bed	House	2
Denton Crescent, Low Row	3 Bed	House	2
Edmondson Close, Brampton	3 Bed	House	4
Edmondson Close, Brampton	2 Bed	House	6
Elmfield, Brampton	3 Bed	House	9
Greenhill, Brampton	3 Bed	House	29
Greenhill Court, Brampton	3 Bed	House	1
Greenhill Court, Brampton	2 Bed	House	3
Parkhead, Brampton	3 Bed	House	14
Parkhead, Brampton	2 Bed	House	20
Pennine Road, Halton Lea Gate	3 Bed	House	2
Howgate, Brampton	3 Bed	House	2
South View, Kirkhouse	3 Bed	House	2
		(2 being sold)	
Townhead Road, Cotehill	3 Bed	House	15
		(1 being sold)	

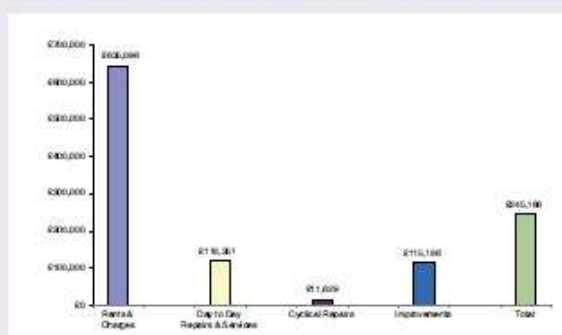
There were a total of 12 voids in 2020. There were six properties untenanted at year-end, three of which were on for sale on the open market, one which was undergoing a major refurbishment and two properties were awaiting minor repairs.

Brampton Rural Housing Society welcomed 6 new residents to the Society in 2020.

## HOW WE LOOKED AFTER YOUR HOMES

This year we have spent £245,166 in repairing and improving your homes.

- £118,351 on day to day repairs and services
- £11,629 on cyclical maintenance (eg gas servicing and electrical testing)
- £115,186 on improving and refurbishing houses.



## The Board of Management

**Chairman: John Holland** (b. 1947) joined the board in 1998. He is an Associate of the Chartered Institute of Bankers and is Chairman of Brampton Players, Carlisle and District Talking Newspapers and Friends of Brampton Hospital. John is Chairman of the Board of Highlights Rural Touring Network. He also Chairs Cumbria Third Sector Network Executive and attends the Cumbria Leadership Board.

**Vice-chair: Douglas Thomas** (b. 1943) has been a Board member since 1989 and Vice-Chairman since 1996. He is a retired Local Authority Treasurer and a retired Chartered Public Finance Accountant with a wide experience of public services and finance, including housing.

**Dorothy Dalton** (b. 1927) joined the board in 1992. She worked for Carlisle City Council's Housing Department for over 10 years, and managed the local housing office in Brampton between 1990-92. She holds the intermediate certificate of the Royal Institute of British Architects.

**Tim Brown** (b. 1960) joined the board in 2003. He lives and works in Hayton at his Architectural Practice, Ashton Design. He has gained a wide range of experience working throughout the North West on housing, leisure and commercial projects, often in conservation areas and on listed buildings. He is a member of the Royal Institute of British Architects, a Conservation Registrant (CR) on the Architects Conservation Register, a member of the Cumbrian Society of Architects, member of the Green Register, member of Brampton Preservation Trust, is an exhibiting artist, dances tango and plays the ukulele.

**Michael Barnes** (b.1909) joined the board in 2005. He moved to Brampton in 1969 as a Police Inspector and changed career to Solicitor in 1970. He worked for Cartmell Shepherd, running their Brampton office from 1986 and retired as Senior Partner in 2006. He has lengthy legal experience in conveyancing and landlord and tenant matters. Mike resigned from the Board in October 2020.

**John Little** (b 1949) joined the board in 2009. John retired after working for 40 years as a Senior Housing Manager, originally with Carlisle City Council's Housing Department and for 7 years at Riverside Housing Association. He specialised in providing a range of services for older people. John is married with two grown up children and four grandchildren. He has lived and worked in Carlisle all his life.

**Hilary Holland** (b 1955) joined the board in 2015. She is a retired Partner of Cartmell Shepherd Solicitors, with extensive knowledge of property law. Hilary is a Parish Councillor, Chairs Wilson Memorial Homes, is a board member of the Friends of Brampton Hospital and Chairs the Castle Carmock Allotments Association.

**Monica Hendry** (b 1954) joined the board in 2015. Monica worked for almost twenty years as the Practice Manager for Cartmell Shepherd Solicitors. Prior to that, she worked in Local Government in Cultural Services and Arts and Education. She is an Associate Member of the Chartered Institute of Personnel and Development and a Fellow of the Chartered Institute of Library and Information Professionals. Monica is a volunteer Adviser with Carlisle and Eden Citizens Advice. She has lived in Brampton for more than twenty years.

**Jane Porter** (b 1940) joined the board, as tenant representative, in 2016. Jane worked at House of Fraser in Carlisle for 33 years where she was Manager of Fashions. She was a committee and acting member of Brampton Players for a number of years. Jane has a son, daughter in law and three grandchildren. She was born in Brampton Hospital and has lived at Greenhill for 80 years.

**Julia Latimer** (b 1957) joined the board in October 2018. Julia was brought up on a farm at Lees Hill before moving to Brampton, where she has lived for over forty years. Julia has three grown up children and four grandchildren. She has worked for Carlisle City Council for most of her working life (originally in the Housing Department) and currently works in the Council's Benefits Advice Service as a Welfare Advice Officer.

## THE STAFF

### **Julie Whitlock** Business Manager/ Secretary (P/T)

Julie has worked at the Society for over ten years and has previously worked for Carlisle City Council's Housing Department and Carlisle Housing Association (Riverside).

### **Sylvia Wardle** Housing Administrator (P/T)

Sylvia joined the Society in June 2019. She worked in a cottage letting business for 16 years, and has also worked at Carlisle Magistrate's Court. She has extensive managerial experience in administration, accounting, maintenance and allocation of properties.

### **Ruth Robson** Administration Assistant (P/T)

Ruth joined the Society in June 2015. As well as experience gained whilst working for Two Castles Housing Association, Ruth has also worked for Dumfries and Galloway Housing Partnership.

### **Lyn Banks** Finance Officer (P/T)

Lyn joined the Society in June 2019. She is an AAT qualified Accounting Technician and has been running her own bookkeeping business since early 2019. Previously she was employed with Cumbria Constabulary for over 14 years in a variety of roles. Lyn has lived in Brampton for 5 years with her partner and young children.