



To:
All members of the
Corporate Policy and Resources
Committee

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Date: 29 November 2024

Supplementary Agenda

Corporate Policy and Resources Committee - Monday, 9 December 2024

Dear Councillor

I enclose the following items which were marked 'to follow' on the agenda for the Corporate Policy and Resources Committee meeting to be held on Monday, 9 December 2024:

5. Knowle Green Estates Ltd, Annual Report 2023/24

3 - 12

Committee is asked to:

- 1) Note the Annual Report as part of the presentation to the Committee by the Board of Directors of Knowle Green Estates Limited (KGE)
- 2) Give consideration to future Council representation on the Board following the Chief Finance Officer of the Council stepping down from the Board; and
- 3) Give consideration as to how the Council wishes to see KGE move forward as set out in paragraph 1.4 of the report

Yours sincerely

Karen Wyeth
Corporate Governance

To the members of the Corporate Policy and Resources Committee

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Councillors:

J.R. Sexton (Chair)
C. Bateson (Vice-Chair)
M. Beecher
J.R. Boughtflower
J. Button
S.M. Doran

R.V. Geach
M. Gibson
K.M. Grant
K. Howkins
N. Islam
M.J. Lee

S.C. Mooney
L. E. Nichols
O. Rybinski
H.R.D. Williams

Substitute Members:

Councillors: M.M. Attewell, S.N. Beatty, S.A. Dunn, J.T.F. Doran,
A. Gale and K.E. Rutherford

Agenda Item 5



Knowle Green
Estates Ltd

2023/24
ANNUAL REPORT

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Welcome

Knowle Green Estates Ltd (KGE) continues to focus on its people, tenants and communities as well as its properties. KGE has worked with Spelthorne Borough Council, its sole shareholder, to provide and manage further affordable and temporary accommodation housing in the borough.

In partnership with the Council, KGE secured funding from the Government's Local Authority Housing Fund (LAHF). The LAHF aims to support Local Authorities in England to provide accommodation to those with housing needs, specifically where there is a huge shortage of temporary accommodation. In addition, the LAHF includes provision for Afghan and Ukrainian resettlement schemes.

KGE's newly acquired properties have all been refurbished to a good standard and provide quality housing for their new occupiers, which occupiers, mirroring the approach to existing homes within its portfolio.

KGE's portfolio has now increased from 93 properties to 174. Its new homes are a combination of flats and houses which are situated across the borough of Spelthorne, in central accessible locations, ensuring that its residents are very much part of the community.

The KGE team continues to support its Afghan and Ukrainian relocated families, with every aspect of their tenancies. The team work closely with other agencies; including the Council's Family Support team, the local job centre, local charities and food banks, to ensure that its residents receive all the required support they need to lead positive, prosperous and happy lives.

The team also ensures that, when needed, referrals are made to relevant agencies such as social care and mental health teams, ensuring a holistic tenant focused approach is at the forefront of its service provision. A 'resident first' focus ensures KGE is always striving to improve its service provision, and it seeks to improve resident engagement through various channels, including feedback surveys.

KGE continues to work closely with the Council's Housing Options team, to ensure those applicants who are most in need, are prioritised for the accommodation available. The properties available allow for a blend of keyworker, affordable and private tenancies and temporary accommodation, ensuring KGE continues to address the variety of housing needs in the borough.

During 2024, a significant number of new homes were acquired but a lack of affordable homes continues to be a challenge for the Council and residents of Spelthorne. KGE will continue to work with its shareholder and other partners to identify innovative ways to address the lack of affordable housing. KGE's focus remains people, its customers and the provision of good quality and safe homes, managed on a long-term sustainable basis.



Our Directors



Terry Collier

Terry, is an accountant by profession and is also Spelthorne Borough Council's Chief Finance Officer. Terry has been on the Board since the creation of Knowle Green Estates Ltd in May 2016.



Lawrence Nichols

Lawrence has been a Spelthorne Borough Councillor for the ward of Halliford and Sunbury West since 2019. He joined the board in June 2023 and is a local resident and understands resident's need for accessible, good quality housing in the Borough.



Darren Levy

Darren has over 30 years' experience delivering housing, property, asset management and development services across public, private and charitable sectors. He brings the Board a focus on business growth and development.



Anne Fillis

Anne is a Chartered Accountant and has had a varied career with roles in healthcare, government, financial services and the voluntary sector. She is passionate about ensuring that all residents are able to access housing that they can afford.

Our team



Akin Akinyemi

Residential Estates and Facilities Manager



Vicki Ellis

Principal Residential Property Manager



Russell Davis

Property Accounts Manager



Taran Gahunia

Residential Tenancy Sustainment Officer



Sara Chapman

Residential Property Manager



Coralie Holman

Group Head, Assets

Vision and Values

Vision

A property business with a commercial head and a social heart

Mission

Homes for the future: working with the Council and for the residents of Spelthorne, increasing the availability, affordability and quality of housing in our Borough

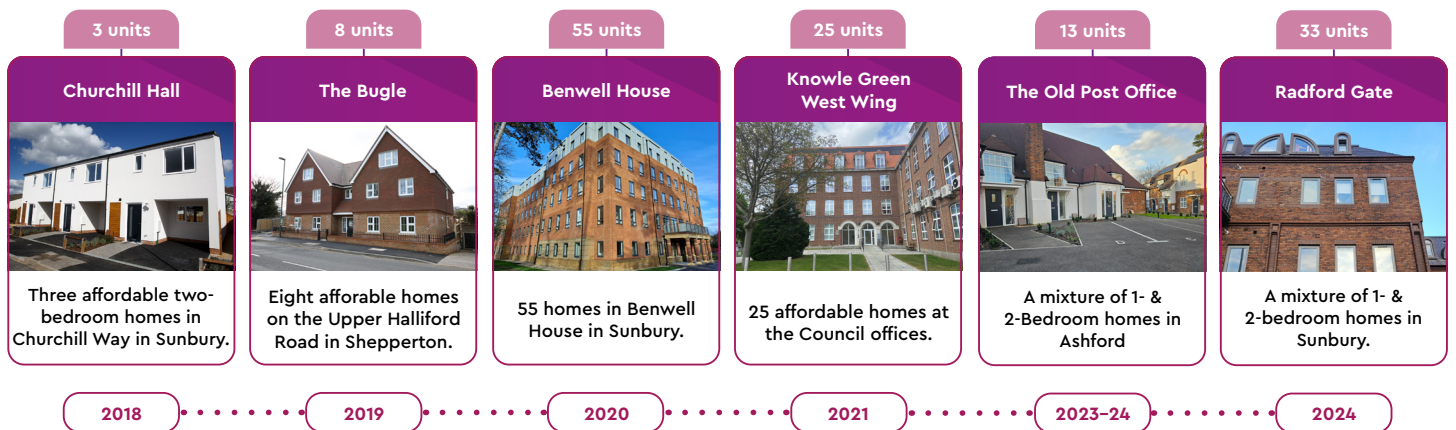
Values

- > Affordable for our residents
- > Better quality housing
- > Local homes, locally managed
- > Environmentally friendly

Corporate Priorities

- > Protect and expand affordable rented housing stock
- > Regenerate areas
- > Invest locally
- > Deliver quality low carbon living for residents
- > Economic long-term investments

Our homes



Case study



A resident who was helped to find accommodation by Knowle Green Estates has been speaking about her experience.

She started by explaining that in 2020 she had fled domestic violence and sought safety in a women's refuge. She said: "After leaving the refuge, I found myself homeless, without work, and relying on the housing register for assistance. Eventually, I was offered accommodation through KGE, which provided me with a safe and stable environment to rebuild my life.

"The accommodation and amenities were excellent. The living space was comfortable, well-maintained, and equipped with everything I needed, making it feel like a secure and welcoming home. This high quality of accommodation has had a positive impact on my daily life and overall wellbeing."

She also spoke about the support she received from the team: "I have always felt supported by KGE staff, especially when it came to my mental health and understanding the benefits I could be entitled to. Their guidance helped me access essential support systems, which brought stability and reduced financial stress. Knowing I had someone to turn to for mental health support was incredibly comforting, especially during challenging times. Their assistance provided me with peace of mind and helped me feel more empowered to manage my circumstances.

"I was supported with applying for Universal Credit when I was not in work and a single mum. This support made a significant difference in my life by providing financial stability during a challenging time. It allowed me to focus on caring for my child without the constant stress of financial insecurity. With this support, I was able to cover essential expenses, like rent, food, and bills, which greatly improved our quality of life and helped me feel more secure."

Reflecting on how things have changed since she moved into her new home, she said: "My life has significantly transformed. I am now married and living with my son and husband, and I have secured a full-time senior role in a corporate company. These changes have greatly improved my financial stability, personal happiness and sense of purpose. I've been able to start a new a new chapter in my life."

Key performance indicators (KPI's)

KPI	Target	Actuals
Rent arrears as % of income	4%	0.48%
Average re-let in days	10 days	13*
Complaint response time	5 days	1
Homeless Households housed	N/A	12 (10 of these were Afghan families)
Repairs and Maintenance		
Responsive repairs responded to within targeted timescales	90%	95%

8 properties became void during the year. To note, 1 property needed major works following a leak (33 working days), 1 property needed extensive works (20 working days), and 1 property required clearance (15 working days). This has affected the KPI figure for our re-lets of the properties.

Governance

KGE Ltd is overseen by four Directors, including two Non-Executive Directors appointed through a competitive recruitment process. To ensure full and compliance governance is adhered to, KGE Ltd undertakes the following:

- monthly (minuted) Board meetings, monitoring financial performance, resident feedback and range of operational performance indicators
- accounts independently audited
- yearly annual report
- policies in place including safeguarding and tenancy support
- monthly health and safety reviews with compliance reports
- bi-annual (minuted) strategy meetings

Building Services Team

KGE partners with Spelthorne Borough Council's Building Services Team to ensure all homes are well maintained. The team play a pivotal role in ensuring the smooth operation and quality of the properties. The team comprises of skilled professionals, including a Senior Building Manager, a Building Surveyor, two Building Maintenance Officers, and a Residential Estates and Facilities Manager, who work with us as we support the residents in our properties.

The team ensure that all buildings meet safety standards and regulatory requirements. This is monitored by completing regular building and property inspections. By identifying potential issues early, the team maintain the structural integrity and safety of the properties, providing peace of mind to residents and stakeholders.

The team oversee the day-to-day maintenance and repair activities and coordinate with contractors, manage maintenance requests ensuring all building systems are functioning optimally. Their proactive approach to maintenance helps prevent disruptions and extends the lifespan of our facilities. The team have played a pivotal role in the acquisition and refurbishment of the new properties. From attending pre-purchase viewings, to carrying out specification of works, and overseeing the refurbishment of the properties, the Building Services Team have been involved in every step of the acquisition process. Their expertise and dedication are key to maintaining the corporate values to provide better quality locally managed housing.



Financial Summary

	2024	2023
	£	£
Turnover	1,265,232	1,140,166
Administrative expenses	(1,343,863)	(1,357,254)
Operating profit/(loss)	(78,631)	(217,088)
Interest receivable	1,638	20
Interest payable and similar expenses	(815,374)	(812,389)
Loss before taxation	(892,367)	(1,029,457)
Tax on loss	230,784	132,600
Profit/(loss) for financial year	(661,583)	(896,857)
Other comprehensive income		
Revaluation of tangible fixed assets	2,542,199	2,981,145
Tax on other comprehensive income	(643,241)	(851,564)
Total comprehensive income for the year	1,237,375	1,232,724

Looking ahead

Following the increase in properties in the portfolio, KGE have recruited a further Property Manager to support the management of the properties.

KGE will continue to support their tenants and work to improve resident engagement. This will include the residential team being available for tenancy advice drop-in sessions, to offer support and advice, making referrals to other agencies where needed.

For KGE, its remit is more than simply providing homes, its goal is to change lives by supporting families and facilitating residents' futures.

The Company is focused on ensuring that working with the Council its shareholder it remains financially sustainable and in a position to manage the properties and support the tenants on a long-term basis. It has produced 50 years forward looking financial projections and the Council, as its shareholder has provided a £2.5m debenture loan finance to put the Company's finances on a stable basis.

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