

## 34. Methodist Ministers' Housing Society (MMHS)

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### 1. Introduction

This report covers the period **1 September 2022 to 31 August 2023**, but in the report, we also comment on developments of note from 1 September 2023 to date.

**Our mission** is to meet the housing and housing-related needs of retired Methodist ministers of limited means, their spouses, widows and widowers and to offer support for their wellbeing in the key areas of mobility and independence.

**Our vision** adopts words to be found in Acts 4:34, 'There was not a single person in need among them'.

**Our core values** are underpinned by a Christian ethos of which we are proud. Our concern is to show high standards of care in all we do, and to be professional both as individuals and as an organisation.

### 2. Overview of the period

During 2023, we had the great pleasure of celebrating our 75th anniversary. We enjoyed commemorating the year in a number of ways, from the commissioning of a contemporary hymn, *Christ is The Cornerstone*, to the hosting of a dinner for an inspiring gathering of people who, one way or another, were connected to our charity and its work.

Looking back, the generosity of one extraordinary donor, a Mrs M Hoult, leaps off the pages of MMHS's history. Mrs Hoult saw the clear housing needs of presbyters and in response, she donated her manor house and surrounding land. This was a true catalyst event and one which inspired other movers and shakers to step forward. MMHS was formed on 19 November 1948 and the foundation stones for its first purpose-built properties, constructed on Mrs Hoult's land, were laid on 15 June 1949. Fast forward to today; it is our privilege still to be meeting need.

As with most organisations, we found the year on which we are reporting a challenge. The economic climate, not least the cost-of-living crisis, had an impact, so too inflationary pressures. We were all affected – ministerial residents, staff members, suppliers, and trustees alike. Notwithstanding all the pressures, we commenced delivering our Strategy for 2022-2027 with commitment and enthusiasm.

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### 3. **Housing provision during the period**

As at 31 August 2023, we had 894 properties. Of that number, 685 were occupied by our Ministerial Residents, 162 by market tenants and 47 were empty. Empty property numbers are kept to a minimum and the time they are left empty is kept as short as possible; numbers fluctuate monthly. They are unavoidable due to transition periods when Ministerial Residents transfer, or during marketing periods.

We were pleased to provide housing for 13 new Ministerial Residents during the period, including one retiring early for a medical reason. We also transferred five Ministerial Residents to alternative properties.

Our Equity Sharing Scheme enables our Ministerial Residents to acquire a financial interest in their property. At the end of August 2023, 394 Ministerial Residents had equity interests with a total fair value of £18,330,000.

During the year, we provided properties through a mix of new purchases and suitable ones identified from within our existing portfolio. One key consideration we have is the suitability of properties for long-term independent living.

### 4. **Rent and finances for the period**

Our standard charitable rent is the same for all Ministerial Residents across the whole country; for 2022-23, the rent rose from £300pcm to £322pcm (from £3,600pa to £3,864pa). Some of our Ministerial Residents pay a supplement if their income in retirement is above the upper-limit figure we use to qualify for our standard charitable rent.

We continued to cross-subsidise those less able to pay using our designated Wellbeing Fund. We are pleased that we are able to maintain a standard charitable rent which is well below those set by social housing providers, and substantially below market level rents.

Rental income from Ministerial Residents amounted to £2.665m for the year. A further £1.646m of gross rental income was generated from market tenancies, £372k from interest and dividends and £676k from legacies, bequests and grants. Donations amounting to £66k were received from individuals, churches and circuits within the Methodist family. The net surplus derived from the sale of surplus properties amounted to £281k.

Total expenditure was £7.472m which exceeded total income by £1.766m, although this operating deficit reduced to £670k after taking account of unrecognised gains of £1.096m on fixed asset investments.

MMHS's total funds as at 31 August 2023 were £187.823m.

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### 5. **Refurbishments and repairs and maintenance**

Our rolling programme for maintaining our properties, including kitchen and bathroom refits, continued apace.

Refurbishments comprise kitchen and bathroom replacements; upgrading joinery, heating, plumbing and electrical installations; building fabric repairs, redecoration and replacement of finishes. A comprehensive specification is prepared which prevents projects drifting into remodelling, extensions and structural alterations.

Over the period, we refurbished 17 homes. We continued to benefit from highly competitive quotations for our refurbishments through the use of smaller contractors. The environment continued to be tough in terms of the costs of materials and labour.

Over 1,700 jobs were recorded relating to the repair and maintenance of our properties including 19 bathroom and 14 kitchen refits, 48 driveway repairs and 81 external decorations.

Electrical inspections and associated remedial works were administered and undertaken by HES Fire Protection Limited. Gas-Elec Limited were our national supplier for our gas compliance checks and associated remedial works.

We remain very committed to 'greening' our properties whenever we can. Energy efficiency and insulation considerations are constantly reviewed. By way of example, our boiler replacement programme saw 69 new combination boilers installed during the period and our window and door replacement programme provided 31 properties with new windows and external doors.

### 6. **Board of Trustees**

The Chair and the CEO worked closely together to manage the business of the board, the effective stewardship of MMHS's assets and the sound governance of its operations. Trustees are expected to keep themselves up-to-date with legislative and regulatory developments and take part in a Learning and Development programme tailored to equip them to perform well in their trustee roles. The Board began the year with eight trustees and ended it with six. One trustee retired from the Board in October 2023. During the year, the trustees had committed to strengthening the skill-base and experience of the Board, with a focus on property and finance. Following recruitment, four further trustees joined the Board in November 2023.

### 7. **Staff**

During the reporting period, the Senior Management Team comprised the CEO and two executive Directors (Finance and Operations). The CEO is responsible for the implementation of the decisions of the trustees and the day-to-day

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management of the affairs of MMHS. She is also the Company Secretary. The CEO is also responsible for the development of effective management systems to ensure all staff understand their roles and objectives and have appropriate appraisals and training to enable them to fulfil their roles.

### 8. Plans for the future

We are now well into the second year of our Strategy for 2022-2027. Change is all around us. MMHS has always sought to respond well to change whether social, economic or political, and we will continue to do so. We also aspire to be changemakers as well as being an organisation which responds well to change not of our own making.

We continue to face into powerful headwinds, for example, continued cost of living and inflationary pressures. Declining numbers in the Methodist Church also present a medium to long-term challenge. In response to that, we are looking at new areas of mission.

Insofar as our existing mission is concerned, we are enhancing it. We are innovating where we can, primarily by taking advantage of new technology. This should result in improved efficiency and data quality. It should also speed up reporting processes. We are taking a 'property and people' approach to everything we do. Each is equally important. MMHS prides itself in providing quality housing and we will continue to care for and improve our housing stock and focus on such matters as heating, insulation and energy efficiency. We are expanding our existing mission to include wellbeing. Our wellbeing support encompasses matters connected to age, ill-health, disability and finance.

### 9. Conclusion

In our celebratory 75th anniversary year, we were again reminded of the foundation stones on which MMHS was built. We are committed to pulling the best of the past into the present and using it to energise us as we take on new challenges and opportunities.

We would also like to say that we are forever grateful for the generosity shown to us in so many ways, in particular through gifts, donations, bequests and legacies. We cannot say 'thank you' enough.

### \*\*\*RESOLUTION

#### 34/1. The Conference receives the Report.