

teachers' housing association

ANNUAL REPORT | 2018 2019



“Housing people in need
- particularly those
associated with
education.”



CHAIRPERSON'S REPORT

I am pleased to present the Association's 52nd Annual Report. We have used our strong foundations this year to deliver our mission. The importance of the work we do to support local communities by the provision of housing for people working in education is illustrated in this report – together with our continued commitment to the provision of supported housing for older people.

Our financial position is strong and we are well placed to deliver our development strategy. We are excited by progress made this year to achieve our aspiration to develop more homes at Peter Kennedy Court in Croydon. New partnerships established this year will support our determination to provide more homes for people working in education in London.

We balance our development aspirations with the need to invest in our existing property portfolio both via our programme for major repairs and improvements and our ongoing responsibility and commitment to apply rigorous health and safety protection across all our properties, particularly in respect of fire safety work.

As a small, specialist housing association we are able to use our knowledge of individual tenants and households to deliver an excellent service to people living in our properties. We listen to our tenants and value the feedback and suggestions for improvement we receive. This is reflected in the high levels of satisfaction reported this year.

Detailed in this report you will see outlined some of our key activities. There have been further changes in our staff team this year and I pay tribute to all our staff and my colleagues on the Management Board for their commitment to provision of high quality services to our tenants and provision of more homes for people in need.

This Annual Report contains only a summary of our activities. Please contact us if you would like more information or would like to work with us.



CHRIS BRIGHT
CHAIRPERSON



WHAT WE DO

The Association has properties in the London Boroughs of Bexley, Brent, Croydon, Haringey, Kingston-upon-Thames and Waltham Forest. The properties range in size from studio flats to four bedroom houses. People working in the field of education in any of these six boroughs are eligible to apply to rent our properties. In addition to our family housing we provide sheltered housing for over 300 older people in Birmingham, Brighton, Christchurch, Croydon, Hull, Paignton and Stoke-on-Trent.

TEACHER & FAMILY HOUSING

We are committed to providing a high quality tenant focussed service to those living in our teacher and family housing. In addition to those who access our housing via local authority partnerships we were able to house a further 29 people working in education in this past year. Many of those who apply to us for housing are struggling to maintain their careers due to personal challenges which can include health issues, homelessness and stress. Our ability to provide secure, safe housing and a responsive service means that they are able to focus on their professional commitments and the needs of their students.

Partnership working is key to achieving our objectives as particularly illustrated in one of our case studies this year. The housing we provide for teachers makes an important difference in the wider community and assists those working in the education sector. Partnership working is also key to our provision of safe and secure housing. An example of this being a successful Street Safety event held at Verona Drive, Surbiton in collaboration with our local police team. This opportunity to promote street safety for children living on the estate was well attended by parents and children.

“Housing people in need - particularly those associated with education.”

This year we were able to assist a teacher living in a women’s refuge trying to rebuild her life after fleeing domestic violence. Working collaboratively with the Education Support Partnership we were able to support this teacher to rebuild her life in one of our London properties. Providing housing to this teacher gave her space in which to recover, and re-engage with her career and become a more effective teacher.

“The staff at Education Support Partnership informed me of the excellent values that THA has and they were confident that THA would be able to work with them. It speaks volumes that similar organisations in the same field hold THA in high regard when it comes to the housing support it gives teachers in need. This compassionate, pragmatic and humane approach made a tremendous difference to me. This approach has been reflected in the customer service that I have received since becoming a tenant of THA.”





OLD ETONIAN HOUSING ASSOCIATION

We are Managing Agents for Old Etonian Housing Association (OEHA) which provides general housing primarily in the London Borough of Islington. OEHA's activities also focus on providing housing solutions for people working in education. We provide a comprehensive management service to the Association's Management Committee and its tenants. The Association has committed to supporting teachers employed at Holyport College and continues to offer affordable homes for people working in education in the Windsor area.

TRANSFORMING LIVES

Moving into THA's sheltered housing can lead to new friendships and interests. Bella Thompson and Magdalene Thomas moved into Peter Kennedy Court last year. Both had lived alone and were feeling vulnerable and isolated in accommodation that was no longer suitable. They met at one of the Knit and Natter sessions and have become good friends. Bella particularly likes the trees and wildlife in the gardens. Magdalene says moving to Peter Kennedy Court has improved her confidence. She was welcomed by tenants when she first arrived and knows there is always help available if needed.

"We like to go shopping together and go out for meals. Sometimes we visit each others flats for a cup of tea and a chat. We like to join in with all the things that go on and have made lots of other new friends as well."



HOUSING FOR OLDER PEOPLE

Our sheltered housing offers affordable accommodation for older people enabling them to continue to live independent lives but with the reassurance that support is available. We focus on providing a high level of service delivery as well as working closely with local partners to support our tenants. As part of our commitment to providing a responsive service to tenants we continue to provide a designated scheme manager and on site staff at each of our older person housing schemes, except New Park Gardens. We are proactive in enabling our tenants to maintain independence with the knowledge that support is available when needed.

A wide variety of activities are undertaken in our sheltered housing schemes. These are organised by tenants and staff and range from fitness classes, coffee mornings and day trips to garden fetes and gardening clubs. We are always keen to extend our work within the communities where we operate. In a number of our schemes we work with local healthcare and support groups to provide classes and services attended by our tenants and others living nearby.



We work to promote our housing and services within local communities and continue to hold open days at our schemes to showcase our work. We were delighted this year when our scheme at Romaleyn Gardens, Paignton won a Bronze certificate in the National Housing for Older People Awards.

GOVERNANCE

The Board and each committee meet a minimum of three times a year. The Board delegates authority to two committees:

- Finance, Audit and Development
- Operations

The Management Board has adopted the National Housing Federation's Code of Governance – promoting board excellence for housing associations (2015). We follow its recommendations on good practice and undertake an annual review of compliance with the Code and our governance arrangements. We have achieved full compliance with the Code.

MANAGEMENT BOARD

It's been another busy year for the Board. The Board recognises our roots in providing housing for retired and working teachers and, looking to the future, the focus of our development strategy is to provide housing for people working in education and in housing need. Our Business Plan reflects that vision and commitment. The Board monitors our performance and outcomes in delivering our Development and Asset Management Strategies supporting that Plan.

The Board are committed to continuous improvement and in addition to our overall Performance Management Framework they have applied a board effectiveness model. The Board applies a robust framework to manage risk and continues to review the results of our sustainability reviews which support our future investment decisions.



The Governance section of the Association's comprehensive risk register recognises the risk of poor skills and the need for regular review, particularly when considering new business. The Board undertakes regular reviews of its Members' skills, experience and performance. The Board has agreed to limit the size of the Board to a maximum of twelve members. The Association does not make payment to Board Members.

It is our general membership policy to achieve a position whereby only Board Members are shareholders. However we continue to be supported by a number of additional shareholders whose interest we welcome.



In December, Gary Gilbert retired from his role as Chairperson of our Finance, Audit and Development Committee and Maurice Rumbold was appointed. Gary will retire from the Board in 2019 having completed 9 years' service with the Association. In addition to sharing his valued financial and governance expertise, Gary has also been a keen attender of our tenant consultation meetings, taking a particular interest in Peter Kennedy Court. We record our thanks to him for all his support and encouragement.

The Association's Board Members play an active role beyond their governance responsibilities as demonstrated again this year by their visits to our schemes and attendance at tenant meetings where they were able to hear directly from tenants about our performance and suggestions for improvement.

In addition to its annual review of compliance with the NHF Code of Governance, the Board receives assurance regarding compliance with the standards published by the Regulator of Social Housing, including assurance regarding stress testing of our Business Plan.

BOARD MEMBERS

Mr C Bright (Chairperson)

Lawyer
Appointed 2014

Ms A Beach (Vice-Chairperson)

HR Manager
Appointed 2013

Mr T Casey

Development Director
Appointed 2015

Mr K Cole

(Chairperson Operations
Committee)
Retired Housing Manager
Appointed 2011

Ms C Friedenthal

Operations Director
Appointed 2016

Mr G Gilbert

(Chairperson Finance, Audit &
Development Committee until
December 2018)
Accountant and Company
Director
Appointed 2010

Mr M Rumbold

(Chairperson Finance, Audit &
Development Committee from
December 2018)
Retired Charity CEO
Appointed 2017

Mr P Wilkins

Surveyor
Appointed 2013

Mrs F Wright

Accountant
Appointed 2017

SENIOR STAFF

Ms S Llewellyn BA MCIH

Chief Executive
Appointed 1991

Mr K Turner

Housing Services Director
Appointed 2015

Ms V Brennan BA MCIH

Maintenance Director
Appointed 1995

Mr M Grundy BA CA CPFA

Finance Director
Appointed 2019

AFFILIATED TO:

The National Housing Federation

REGISTERED WITH:

- The Regulator for Social Housing as a Registered Provider under the Housing Act 1974 (Reg.No.LH0426)
- The Financial Services Authority as a registered society under the Co-operative and Community Benefit Societies Act 2014 (Reg. No. 17955R)
- The Charity Commission as an Exempt Charity under the Charities Act 1960 (Reg. No. 255199)

SOLICITORS

Vivash Brand LLP
Nonsuch House
538-542 London Road
Sutton
Surrey SM3 9AA

REGISTERED AUDITORS

Mazars
Chartered Accountants
Times House
Throwley Way
Sutton
Surrey SM1 4JQ

INTERNAL AUDITORS

The Internal Audit Association
Artillery House
Fort Fareham
Newgate Lane
Fareham
PO14 1AH

BANKERS

National Westminster Bank plc

REVIEW OF THE YEAR

DEVELOPMENT - BUILDING OUR FUTURE

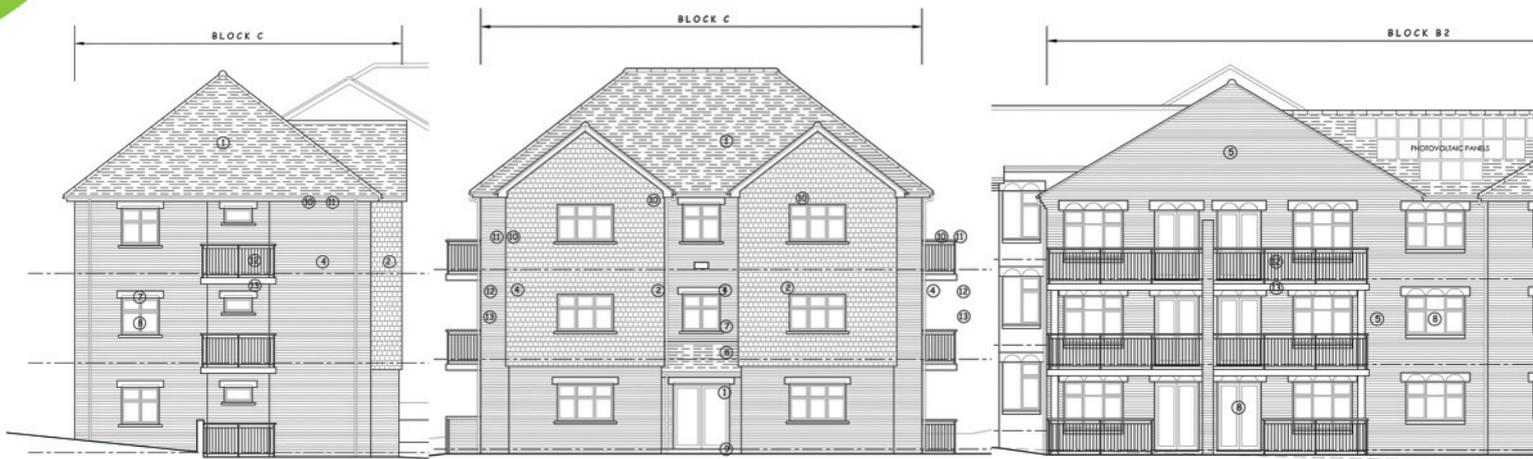
The focus for our Development Strategy continues to be provision of more homes to rent for people working in education in the London area. We work with a number of consultants and partners to achieve this key objective. This year, we joined the Build London Partnership with L & Q which will open up more development opportunities to us. We have loan funding in place to facilitate delivery of our programme.

We continue to use our Asset Management Strategy to identify opportunities to develop more homes on our existing schemes and properties. This year we completed work at one of our street properties in Brent to create an additional flat. The project included refurbishment of two existing flats to create better homes.

We also identified potential to develop more housing for teachers at our existing scheme at Peter Kennedy Court in Croydon. We met with our tenants at Peter Kennedy Court to discuss our vision to provide 2 additional blocks providing 15 additional homes for teachers plus replacement of 6 existing sheltered flats with more accessible units. A key objective for the project is to improve landscaping throughout the scheme and introduce features including natural play space, accessible paths and allotment beds for tenants. We received very positive feedback on our proposals and subsequently submitted a planning application. We await a decision on this application in Summer 2019.

We are working hard to achieve our development targets with a range of consultants and new partners to enable us to achieve our objectives. Please contact us if you would like to discuss partnership working.





SERVICE DELIVERY AND TENANT INVOLVEMENT

Staff in our housing services team are committed to improving service delivery. This is reflected in the improved performance and outcomes in arrears control and voids management. Robust action has been taken to address any tenancy breaches such as sub-letting or anti-social behaviour. Our team works hard to provide a responsive and professional service to our tenants. Our scheme staff, who include scheme managers, deputies, cleaners, handypersons, kitchen staff, caretakers and gardeners, are key to delivery of our high quality services. Their contribution and commitment is vital to our success.

Our Tenant Involvement Strategy demonstrates our commitment to tenant led services. We offer a broad range of opportunities for tenants to comment on our services and performance which include consultation meetings, surveys, scheme walkabouts, a Reading Panel and our annual Phone-a-Manager Day. Listening to our tenants is at the core of our service delivery.

The section of this report “Our Performance” provides specific detail about our performance outcomes. There has been excellent progress in improving outcomes in a number of key areas and we will continue to seek ways to improve in the coming year. We are keen to work with local partners and communities to publicise our services. Following the success of the publicity launch to mark our 50th anniversary year we have continued to hold local events including open days to promote our work.

Achieving our vision for delivering a high level of service delivery and our targets requires a dedicated and effective staff team. We have a comprehensive training programme for our staff which is tailored to the needs of individual roles. This year we were able to work in partnership with other smaller housing providers to deliver a range of bespoke cost effective training opportunities to our staff.



Set out below is a snapshot of progress made in achieving some of the service delivery targets and offers agreed with our tenants.

What we said we would do	What we have done
<p>We will continue to operate a Reading Panel comprising of tenants and will review the Terms of Reference to be more interactive</p>	<p>Tenants have been encouraged to join the Reading Panel via our consultation meetings and Newsletters. We have 12 members, including 8 from our sheltered housing schemes and 4 from our general family and teacher housing.</p> <p>The Operations Committee receives detailed feedback on how comments from the Reading Panel have impacted on policies and Panel members are provided with feedback on the outcome of their comments</p> <p>This year the Panel were asked to comment on the Allocations Policy and the Complaints Policy. The Panel will review the Anti-Social Behaviour Policy and our Tenant Involvement Strategy in the coming year.</p>
<p>We will undertake a comprehensive Tenant Satisfaction Survey every 3 Years and report on the results</p>	<p>Our last comprehensive survey was commissioned in 2017. Overall satisfaction was 88% (92% in sheltered schemes, 86% in general family and teacher housing). We published a summary report on the survey outcomes which is available on our website.</p>
<p>We will continue annual property “walkabouts” at our estate properties where tenants will be invited to attend</p>	<p>We held “walkabouts” at a number of our estates/schemes. These are a useful way of identifying areas for improvement. Action plans are produced and we continue to see positive outcomes from these events.</p>
<p>In most areas we will hold consultation meetings with tenants</p>	<p>Seven consultation meetings were held this year. During these meetings we focus on discussion about how we can improve service delivery. This includes presenting proposed service charge budgets where applicable and discussing whether the various service contracts provide value for money for tenants. These meetings are a key opportunity to consider issues relevant to tenants in individual schemes and are usually attended by Board members as well as staff.</p>
<p>We will hold an Annual Phone a Manager Day</p>	<p>This was held in October. We received 24 calls compared to 27 the previous year. The majority of calls were again from our sheltered schemes. Tenants rang with a wide variety of comments and queries. We were pleased to receive such positive feedback from many of the callers.</p>
<p>We will operate within targets set out in our Service Charter</p>	<p>We continued to operate within the targets set within our Service Charter.</p> <p>We received 6 complaints this year compared to 4 last year. Of these, 1 progressed to Stage 2 and all others were closed at Stage 1. As a result of our policy review a more streamlined procedure has been adopted to facilitate swifter resolution of complaints.</p>
<p>We will aim to complete day to day repairs within our published timescale.</p>	<p>Our performance for completion of repairs within target response times improved this year. We exceeded our target for completion of Urgent and Routine repairs within response times but missed our target by 1% for Emergency (100%) repairs. Overall, 97% of repairs were completed within our target response times.</p>

VALUE FOR MONEY

The Board has adopted a Value for Money (VFM) Strategy for the Association. For THA we believe the purpose of VFM is to maximise our value by providing more homes, better services and improving the lives of our tenants. We are committed to managing our assets to obtain the best return through understanding the differences within our stock profile and the needs of our current and future tenants and other stakeholders. We aim to enhance both financial and social value.

This year we have published VFM metrics as detailed by the Regulator for Social Housing and some additional performance indicators within our Annual Financial Statements. These have also been benchmarked against other London based housing providers of a similar size.

We are participating members of the BM320 Benchmarking Group. This gives us the opportunity to promote and share good practice with associations of a similar stock size and explore ways of improving our performance. Group membership also enhances our service delivery reviews through comparing costs and reviewing outcomes as part of our VFM Strategy. Collaborative working between Associations has continued to achieve cost efficiencies this year in areas such as staff training.

MAINTENANCE

Completing maintenance work to a high standard and improving our properties is a central part of the Maintenance Strategy delivered by our Maintenance Team. Achieving an effective and responsive service for our tenants is dependent on close co-operation and liaison between THA staff and our contractors.

Investment in our properties takes a large share of the Association's annual budget and this year we invested in the following programmes:

- **£361,647 on Major Repairs, including £111,251 for void property repairs**
- **£471,154 on Routine Maintenance, including day to day repairs and gas safety works**
- **£137,855 on Cyclical decoration**
- **£368,298 on Capital works which includes items such as new kitchens and bathrooms.**

Stock Condition data for our sheltered housing schemes has been updated by our consultants Rand Associates. The revised data from their surveys is used to inform our investment / improvement programmes in coming years.



We monitor tenant satisfaction within our maintenance service and are delighted with the high level of satisfaction reported. We value all the feedback on our services received from tenants, staff and contractors and use this to improve performance.

We began two new major repair projects this year to replace balconies at Verona Drive, Surbiton and extensive renewal of the roof at The Anchorage, Christchurch. The latter scheme has been complex as the scheme is Grade 2 listed and works have been completed without any decanting of tenants. We appreciate the co-operation and assistance given to us by tenants to enable essential repair and improvement projects to be completed.

Fire Safety is a priority for THA and we continue to implement measures introduced in our Fire Safety Policy. We are issuing revised fire safety advice to all our tenants and working with scheme staff to improve fire safety awareness generally. We have a comprehensive system of inspections and checks in place to deliver our Health and Safety targets which include electrical and gas safety checks.



We work closely with our specialist consultants to ensure that we comply with current requirements and implement recommendations for improvements in our properties and systems. This includes our property consultants, Grove Millican, who, as well as general project management, are also involved in overseeing contractual health and safety matters for major works and cyclical decoration projects.



OUR PERFORMANCE

We have provided a snapshot of our performance in key areas of activity and service below. If you would like more information on these, or a copy of our final Accounts, please contact us.

PROPERTIES AND RENT

Total Housing Stock = 581

(plus 55 managed units and 11 leasehold units)

53% of our accommodation is teacher and general family housing. This includes properties let on intermediate rents. 47% of our accommodation is for older people within our sheltered housing schemes.

Our Stock Profile

Studios	101
One Bedroom	279
Two Bedrooms	162
Three Bedrooms	23
Four Bedrooms	1
Rooms in Shared houses	15
Total	581

RENTS

Average social housing (Assured and Assured Shorthold Tenancy) Net Weekly Rents for teacher and general family housing only, excluding intermediate rents (£):

	2017/18	2018/19
Studio	£95.69	£94.40
One Bedroom	£113.38	£113.52
Two Bedrooms	£122.63	£121.32
Three Bedrooms	£138.56	£137.78
Four or more Bedrooms	£164.35	£162.71

Rent Arrears as a percentage of gross rent receivable = 2.94% (current tenant arrears = 1.32%)
[Benchmarking Group average for current tenant arrears 2018 = 3.6%]

REPAIRS

1427 = Total number of repairs completed (excluding cyclical and major works) (1522 in 2018)

	Response Time	Completed Within Response Time	Benchmarking Group Average 2018
Emergency	within 24 hours	97%	100%
Urgent	within 5 days	96%	97%
Routine	within 28 days	96%	97%

WHO DID WE HOUSE?

Profile of new tenants housed	
Older people in sheltered housing	35
People employed in education	29
Total	64

Access to our Housing	
Direct Applications	57
Internal Transfers	6
Choice Based Lettings	0
Local Authority Nomination	1
Total	64

VOIDS LOSS (including properties requiring major work)

Rent loss as a percentage of rent receivable due to empty properties 1.30%
(compared to 1.59% in 2018 and Benchmarking Group average in 2018 of 1.25%)

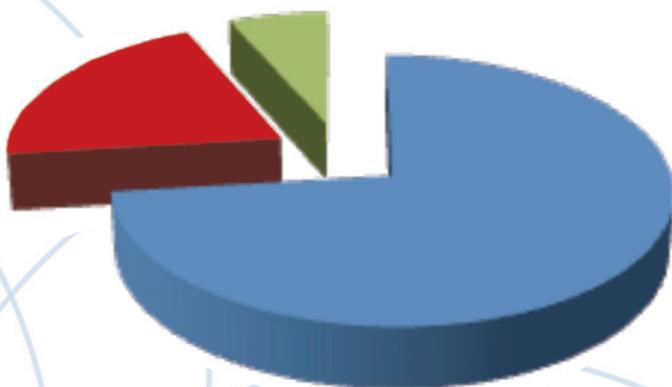
The average number of days to relet a property was 30.2, compared to 40.7 in 2018.

EQUALITY AND DIVERSITY

17% Black/Minority Ethnic staff of 42 staff employed at 31 March 2019

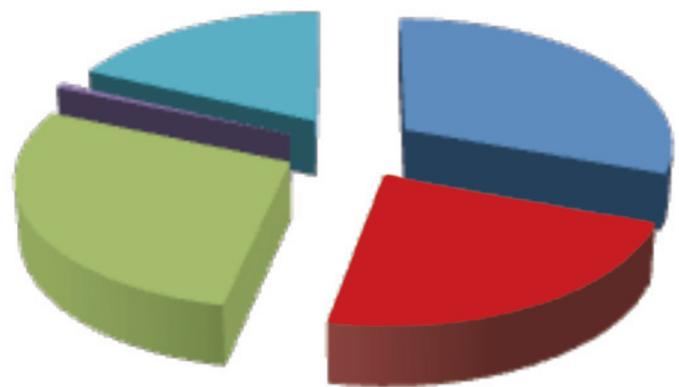
11% Black/Minority Ethnic households of total lettings (including transfers).

Turnover - How was the money earned in 2019?



- Rents 73%
- Service charges 20%
- Other income 7%

Total operating costs - How was the money spent in 2019?



- Management costs 31%
- Maintenance costs 28%
- Service costs 22%
- Depreciation 18%
- Bad debts 1%

GROUP ACCOUNTS SUMMARY

INCOME AND EXPENDITURE

Total income for the year ended 31 March 2019 decreased by £18,597 to £4,173,267. This decrease is due to the 1% reduction in social housing rents which was required under the Government rent reduction legislation.

The Association has lessened the impact of this rent reduction legislation through acquiring and developing new housing which is let at sub-market rents. These rents are exempt from the rent reduction legislation and allow the Association to provide homes at affordable rents whilst safeguarding its financial position. As a result of these measures the decrease in rental income, net of voids, was limited to £20,125, which is 0.5%.

Total operating costs increased by £42,741, to £3,538,497. Operational maintenance costs were slightly higher at £1,002,579, but our capitalised repair costs slightly lower than the previous year at £368,298. In overall terms the level of investment in our properties was comparable to last year at £1.4m. This investment absorbs 33% of income.

Management costs increased by £25,526 to £1,084,712 mainly due to an increase in the use of agency staff to fill some key head office roles during a period of staff absence.

The surplus for the year after net financing costs was £573,728 being 13.7% of total income, (2018 15.4%).

ASSETS AND LIABILITIES

Housing properties, net of depreciation, decreased by £26,349 to £18.72m. The Association continued to invest in new housing properties and its existing property stock. During the year the development of an additional unit in an existing block was completed together with the improvement by reconfiguration of 2 units in the same block. We have also commenced pre-planning work at another 2 sites and have continued working with our consultants to help us obtain development opportunities.

At 31 March 2019 cash at bank and investments totalled £3,486,310, an increase of £483,387 from 2018. This is mainly due to the surplus generated in the year.

Excluding the cash balances, the other net current assets were £37,110 lower than 2018; this was due to an increase in other debtors, due to the prepayment of a loan arrangement fee, offset by a larger increase in creditors for the on-going major repairs work.

FINANCING

We obtained new loan funding in 2018 to enable us to deliver our development objectives over the next three to five years. Our housing investment is financed from the net cash generated by our operational activities and loan finance obtained.

During the year £100,000 was drawn from the new loan facility and £80,189 was repaid against the loans outstanding. Total interest and other financing costs paid in relation to loan finance amounted to £78,698.

Total loans outstanding at the year end were £2.0m repayable over varying periods up to 2027.

SUMMARY

The Association had a successful year where the impact of rent reduction was mitigated, and cost increases were managed to achieve the budgeted level of surplus. We continued to use the Association's financial strength to invest in our existing properties (33% of income) and develop more social housing.



Balance sheet as at 31 March 2019

	GROUP	
	2019 £	2018 £
Fixed Assets	20,039,146	18,821,185
Net current assets	1,168,680	1,981,459
Total Assets less current Liabilities	21,207,826	20,802,644
Creditors: amounts falling due after more than one year	8,719,811	8,888,356
	12,488,015	11,914,288
Capital and Reserves		
Called up share capital	14	15
Reserves	12,488,001	11,914,273
	12,488,015	11,914,288

Income and Expenditure Account

	2019 £	2018 £
Turnover	4,173,267	4,191,864
Operating costs	(3,538,497)	(3,495,756)
Operating Surplus	634,770	696,108
Interest receivable	17,656	11,361
Interest payable	(78,698)	(60,397)
Surplus for year	573,728	647,072

Figures are based on the audited 2019 Financial Statements



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We would like to thank all those who agreed to be photographed for the Association's publicity portfolio.

