

teachers' housing association



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

Annual Report
2019/2020

Chairperson's Report

Welcome to the Association's 53rd Annual Report. When I accepted the position of Chairperson in December I did not anticipate that within weeks we would face the many challenges presented by the Covid-19 pandemic. It is testament to the strength and commitment of all those involved in our work that we have been able to rise successfully to that challenge. We are a small, specialist housing association and our knowledge of individual tenants and households has stood us in good stead in supporting our tenants during these difficult times.

We do not yet know the long term impact but as we have moved forward over the past few months our staff have been resourceful and resilient in adapting to new ways of working whilst maintaining service delivery and keeping people safe. We continue to adjust our risk management strategy and forecasts to adapt to this moving situation.

Alongside our commitment to service delivery during the pandemic we continue to deliver our strategic objectives. This is reflected in the work undertaken over the last year to progress our development aspirations which we expect to come to fruition in the year ahead. Our commitment to health and safety is paramount and we continued our programme of fire safety works this year within the overall investment and improvement programmes for our properties.

We look forward to an exciting year ahead. We will continue to adapt to the challenges presented by the pandemic, putting the wellbeing of our tenants at the front of our decision making. We will also safeguard the Association's future by commissioning a comprehensive organisational review. I pay tribute here to our staff and my colleagues on the Management Board for their commitment to the Association and its future. I would also like to sincerely thank Chris Bright, my predecessor, for all his work and most helpful leadership of the Board over the last few years.

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.



Maurice Rumbold
Chairperson

What We Do

Teachers' Housing Association (THA) provides housing for rent to people in need, particularly those associated with education. The Association has properties in the London Boroughs of Bexley, Brent, Croydon, Haringey, Kingston-upon-Thames and Waltham Forest. Our 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.

We are committed to providing high quality tenant focussed services to all those living in our housing. Those who meet our eligibility criteria may apply to us directly for housing and we also work in partnership with local authorities in several areas. Having a safe and secure home is key to wellbeing and our teacher housing enables people providing key services in our communities to focus on their professional responsibilities and maintain their careers.

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

Our sheltered housing for older people enables people to lead independent lives with the reassurance that support is available when needed. 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 always keen to extend our work within the communities where we operate by working with local partners.

Old Etonian Housing Association

We are Managing Agents for Old Etonian Housing Association (OEHA) providing a comprehensive service to the Association's Management Committee and its tenants. OEHA provides general housing primarily in the London Borough of Islington and its activities also focus on providing housing solutions for people working in education.



Governance

The skills and experience of members of THA's Board are wide and include specific skills in finance, housing management, property maintenance, development, law, IT, human resources and administration. The Board has a comprehensive appraisal and effectiveness framework and reviews its composition and membership annually. The Board has agreed to limit the size of the Board to a maximum of twelve members. THA does not make payment to Board Members. It is our general membership policy to achieve a position whereby only Board Members are shareholders.

The Board elects the Offices of Chairperson and Vice-Chairperson annually and has delegated powers to two committees as follows:

- Finance, Audit and Development
- Operations

In addition, there is a Chairs' Group that also acts as the Remuneration Committee.

The Board of Management operates under the principles of the NHF Code of Governance promoting Board excellence for housing associations (2015) and follows its recommendations on good practice. The Board reviews the Association's compliance with the Code annually.

The Board and each Committee usually meet a minimum of three times each year. The Board adopted a different way of working from January 2020. Committee meetings have been suspended and the number of Board meetings increased for twelve months. The Board recognised that during this period the Association will not be fully compliant with the Code in respect of Section F relating to the role of the Audit Committee and specifically Clause F5 and this will be kept under review.

The Association is compliant with the Regulatory Standards published by the Regulator for Social Housing. The Board oversees the risk management of the Association, the stress testing of its business plan and the maintenance and updating of the Association's Asset and Liability Register.

Management Board

The Management Board determines the overall strategy for the Association and our corporate objectives. In doing so they recognise our roots in providing housing for retired and working teachers and our future focus on providing more housing for people in need, particularly those working in education. The strategic targets within our Business Plan reflect that commitment and vision.



There have been a number of changes within our Board membership this year. Maurice Rumbold was elected to the role of Chairperson in December when Chris Bright relinquished the role after three years in office.

We welcomed Maabena Aday-Amoakoh and Simon Beresford as new members of the Board. They have extensive professional skills and experience, including governance, and since joining THA's Board, both have been involved in working groups and visits to our schemes.

Kim Cole and Christina Friedenthal retired from the Board this year and we thank them both for their commitment and support to the Association during their years of service.

Board Members

Maurice Rumbold

(Chairperson from December 2019, previously Chairperson of Finance, Audit & Development Committee)
Retired Charity CEO
Appointed 2017

Annabel Beach

(Vice-Chairperson)
HR Manager
Appointed 2013

Maabena Adae-Amoakoh

Chartered Accountant
Appointed 2019

Simon Beresford

Building Society CEO
Appointed 2019

Chris Bright (Chairperson until December 2019)
Lawyer
Appointed 2014

Tom Casey

Development Director
Appointed 2015

Kim Cole

(resigned November 2019)
Retired Housing Manager
Appointed 2011

Christina Friedenthal

(resigned February 2020)
Housing Manager
Appointed 2016

Gary Gilbert

(resigned July 2019)
Accountant and Company Director
Appointed 2010

Peter Wilkins (Chairperson Operations Committee from December 2019)
Surveyor
Appointed 2013

Felicia Wright

(Chairperson Finance, Audit & Development Committee from December 2019)
Accountant
Appointed 2017

Senior Staff

Sian Llewellyn BA MCIH

Chief Executive
Appointed 1991

Kevin Turner

Housing Services Director
Appointed 2015

Verena Brennan BA MCIH

Maintenance Director
Appointed 1995

Martin 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

Funders

Unity Trust Bank plc

Review Of The Year

A busy year for THA closed with us reacting swiftly as the Covid-19 pandemic changed the way we operate at both our Head Office, and sites and schemes nationwide. This review focuses on our work throughout 2019/20; our summer Newsletter publication and next year's Annual Report will carry details of our responses to the pandemic.

In 2019/2020 we continued our programme of sustainability reviews across all properties and commissioned a review which will consider options for future strategic decisions.

We continue to work with a range of consultants who support our aim to provide more housing for people working in education in London. We made progress on our project to deliver more housing at Peter Kennedy Court in Croydon where we want to provide 15 new homes and redevelop 6 existing sheltered flats. We hope to see this and a number of other small development opportunities across London come to fruition in the year ahead.

Delivery of our services is dependent on our committed and enthusiastic staff team who work within a wide variety of roles both within our housing schemes and at head office. We have a comprehensive training strategy in place to ensure that our staff are well equipped to meet their responsibilities and develop their skills.

Our service improvement strategy continues to focus on tenant involvement. While a number of initiatives such as the NHF's "Together with Tenants" and the government's White Paper have been delayed we look forward to reviewing our Tenant Involvement Strategy in the year ahead. In the meantime we were pleased to make progress on a number of areas, including a comprehensive review of our Equality, Diversity and Inclusion strategy which encompasses all areas of our work.



We offer a broad range of opportunities for tenants to comment on our services and influence changes and improvements. Our Reading Panel participated in the review of our Anti-Social Behaviour Policy this year. Our Complaints Policy now provides a streamlined process to facilitate faster resolution of complaints if they arise. The number of formal complaints recorded this year reduced to 3 and all were resolved at Stage 1 or 2.

We received a higher number of calls this year during our annual Phone-a-Manager Day. Callers gave us useful suggestions for how we can improve and we were delighted with the positive feedback received. We also continued our programme of consultation meetings with tenants and scheme "walkabouts" – these provide opportunities to give feedback on our services and challenge whether we are providing value for money in our service delivery.

In the coming year we will undertake a comprehensive satisfaction survey with our tenants. In the last survey 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. This year we exceeded completion of repairs within our target response times for all categories except emergency repairs. The level of satisfaction with our responsive repairs service increased to 99%.

Value for Money

This year we revised our Value for Money (VFM) Strategy. The key purpose continues to be maximising our value by providing more homes, better services and improving the lives of our tenants. We publish a range of VFM metrics within our Statutory Accounts and these are benchmarked against other London based housing providers of a similar size. THA is a participating member of the BM320 benchmarking group for smaller housing providers.

Maintenance

We are proud that the Maintenance Team have maintained a high standard of work to our properties throughout the year and, in particular, have ensured that essential maintenance services to tenants continued during the challenging Covid-19 lockdown period. We extend our thanks to all THA staff and our contractors for their support in achieving an effective and responsive service for our tenants.

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

- £331,116 on Major Repairs, including £103,680 for void property repairs
- £553,052 on Routine Maintenance, including day to day repairs and gas safety works
- £214,912 on Cyclical decoration
- £568,703 on Capital works which includes items like new kitchens and bathrooms.



Major repair projects this year included two full roof replacements and strengthening to another in Brent and Haringey. We also undertook a large programme of kitchen refurbishments at Verona Drive in Surbiton. This scheme also had stabilising works completed to the balcony structures and handrails as both these elements were showing signs of deterioration and corrosion.



In undertaking these programmed works we appreciate the co-operation given to us by tenants to enable such improvement projects to be completed.

We continue to work closely with our specialist consultants to ensure that we comply with current requirements and implement recommendations for improvements in our properties and systems. Our programmes also draw on data from our stock condition surveys. We are adopting a flexible approach to programmes for the forthcoming year due to the Covid-19 pandemic

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 Financial Statements, please contact us.

Properties & Rent

Total Housing Stock = 582

(plus 55 managed units and 10 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	163
Three Bedrooms	23
Four Bedrooms	1
Rooms in Shared houses	15
Total	582

Rents

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

	2018/19	2019/20
Studio	£94.40	£93.17
One Bedroom	£113.52	£118.55
Two Bedrooms	£121.32	£130.40
Three Bedrooms	£137.78	£136.25
Four or more Bedrooms	£162.71	£160.64

Rent Arrears as a percentage of gross rent receivable = 2.78% (current tenant arrears = 1.11%)
[Benchmarking Group average for current tenant arrears 2019 = 3.7%]

Repairs

1553 = Total number of repairs completed (excluding cyclical and major works) (1427 in 2019)

	Response Time	Completed Within Response Time	Benchmarking Group Average 2019
Emergency	within 24 hours	99%	100%
Urgent	within 5 days	96%	97%
Routine	within 28 days	98%	96%

Who did we House?

Profile of new tenants housed		Access to our Housing	
Older people in sheltered housing	36	Direct Applications	54
People employed in education	26	Internal Transfers	7
Other	2	Choice Based Lettings	2
		Local Authority Nomination	1
Total	64	Total	64

Voids Loss (including properties requiring major work)

Rent loss as a percentage of rent receivable due to empty properties 1.8%
(compared to 1.6% in 2019 and Benchmarking Group average in 2019 of 1.3%)

The average number of days to relet a property was 42.2, compared to 30.2 in 2019.

Equality, Diversity and Inclusion

20% Black/Minority Ethnic staff of 45 staff employed at 31 March 2020

28% Black/Minority Ethnic households of total lettings (including transfers)

Turnover - How was the money earned in 2020?



● Rents 73%
● Service charges 21%
● Other income 6%

Total operating costs - How was the money spent in 2020?



● Management costs 25%
● Maintenance costs 32%
● Service costs 25%
● Depreciation 18%

Group Accounts Summary

Income and Expenditure

During 2019-20 the Association achieved a surplus of £598,190, slightly higher than the previous year. The surplus generated produces an operating surplus of 16.1% which is lower than the 22.1% average generated by other small Housing Associations.

Rental income provides 72% of total income and decreased by £20,116 over the previous year as a result of the Government's rent reduction policy for social rents. 2019-20 was the final year of this programme and from 2020-21 social rents are permitted to rise by up to CPI+1%.

A further 21% of income is generated from service charges and income from this source has increased by £47,983 on the previous year. Service charges are set to recover the costs incurred and the reason for the increase is primarily to recover the increased costs associated with new fire safety measures.

Operating expenditure for the year totalled £3,502,977, some £35,520 lower than the previous year. The reduction is largely due to lower management costs as a result of revised staffing arrangements and the release of a provision for the service costs incurred at the Head office. Most other cost categories, including maintenance and service charge costs, saw an increase on the previous year as the Association continues to invest in the upkeep of its property stock. A further £568,703 was spent on capitalised repairs during the year.

Assets and Liabilities

Housing properties, net of depreciation, increased by £314,747 to £19.04m. The increase is due to the purchase of one of the leasehold properties at Verona Drive and the ongoing investment in the upkeep of the property stock. Work is ongoing to expand the Association's stock of housing both through additional development at existing sites and the acquisition of new sites and it is expected that some of this work will come to fruition in the near future.

At 31 March 2020 cash at bank and investments totalled £3,336,367, a small decrease on the previous year which is attributable to the capital investment programme.

Financing

During the year, loans totalling £84,804 were repaid, leaving the Association with total loans outstanding of £1,914,570. An undrawn loan facility for £5m is in place to enable new development opportunities to be pursued as they arise.

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 and are well placed to develop more social housing as opportunities arise.

Balance sheet as at 31 March 2020

	GROUP	
	2020 £	2019 £
Fixed Assets	20,856,360	20,039,146
Net current assets	678,660	1,168,680
Total Assets less current Liabilities	21,535,020	21,207,826
Creditors: amounts falling due after more than one year	8,448,834	8,719,811
	13,086,186	12,488,015
Capital and Reserves		
Called up share capital	13	14
Reserves	13,086,173	12,488,001
	13,086,186	12,488,015

Income and Expenditure Account

	2020 £	2019 £
Turnover	4,172,907	4,173,267
Operating costs	(3,502,977)	(3,538,497)
Operating Surplus	669,930	634,770
Interest receivable	23,571	17,656
Interest payable	(95,331)	(78,698)
Surplus for year	598,170	573,728

Figures are based on the audited 2020 Financial Statements



teachers' housing association

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