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Annual
Report

2016/
17

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“I am pleased to report our overall customer satisfaction results this year demonstrate a substantial improvement from 83% in 2013 to 88% in 2016”



Chairman's Statement

It has been an exciting year for IDS culminating in the appointment of our new Chief Executive, Suzanne Wolfe. Her arrival in March 2017 has heralded the start of immense change across the organisation.

We are proud of our HCA V1 Finance Viability rating, which reflects our strong financial position, our ability to deliver our ambitions and meet the demand for more new homes in London and surrounding areas. Once again, we are pleased to have received an unqualified external audit report with a clean auditors' management letter.

We have responded to the HCA's recent G2 Governance rating by implementing an independent Governance Review. We have also completed the selection of new Board and Committee members, who offer specific skills needed to deal with the strategic challenges facing the social housing sector.

I am pleased to report our overall customer satisfaction results this year demonstrate a substantial improvement from 83% in 2013 to 88% in 2016. Further, customers who were satisfied that their rent represented value for money increased from 81% to 89%.

In the last year, in light of the Government's introduction of Universal Credit, we decided to invest in more income collection, with excellent results. The Board, over many years, have taken prudent decisions around pension planning, which has resulted in savings which can be reinvested in providing good quality affordable homes.

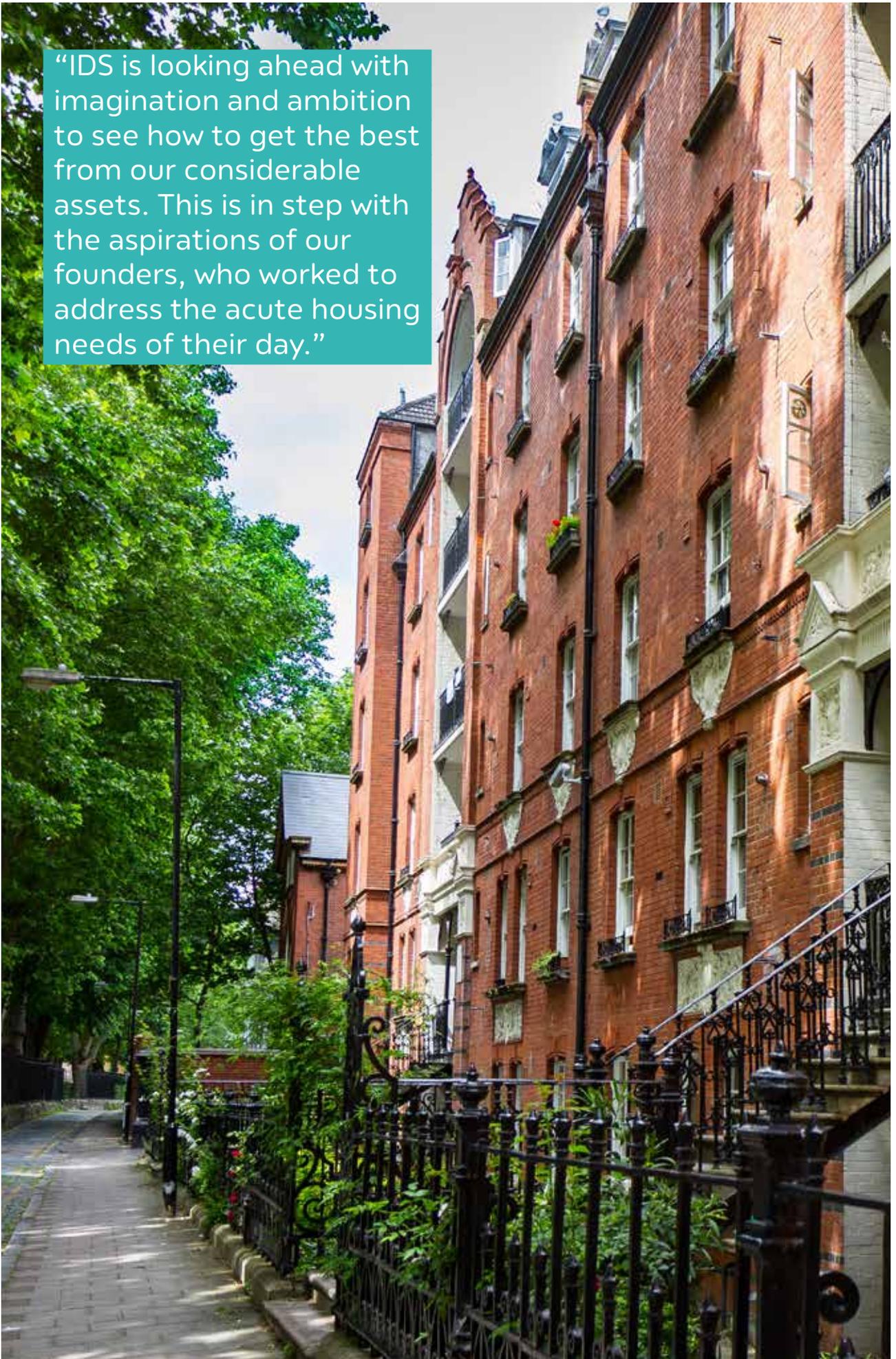
At the start of the financial year, we took Otto Schiff Housing Association into our group structure. We also completed 21 new homes at Millbrook Park and Windmill Place. Looking forward, we are developing more homes, including at our site in Borehamwood.

There is still much to do and we look forward to building on our proud heritage and robust track record in the forthcoming year.



Jonathan Davies, Chairman
September 2017.

“IDS is looking ahead with imagination and ambition to see how to get the best from our considerable assets. This is in step with the aspirations of our founders, who worked to address the acute housing needs of their day.”



Chief Executive Statement

I am delighted to be writing as the new IDS Chief Executive at the close of a year of momentous change. In the last year, we said goodbye to a number of longstanding employees, including the former Chief Executive, Paul Westbrook. I am sure you will join me in thanking them for their very substantial contributions to IDS.

We are really proud of our people and our history. In the spring, with safety at the top of our agenda, we launched a full review of our maintenance arrangements, along with a condition survey of our homes to help prioritise investment and plan ahead. This will enable us to get the excellent value for our residents, moving forward.

IDS is looking ahead with imagination and ambition to see how to get the best from our considerable assets. This is in step with the aspirations of our founders, who worked to address the acute housing needs of their day. For example, we are planning to invest in new homes at Borehamwood and Canvey Island, reflecting changes in where communities want to live. We will also continue to collaborate with our charity partners, helping them provide great services and accommodation to their residents and members.

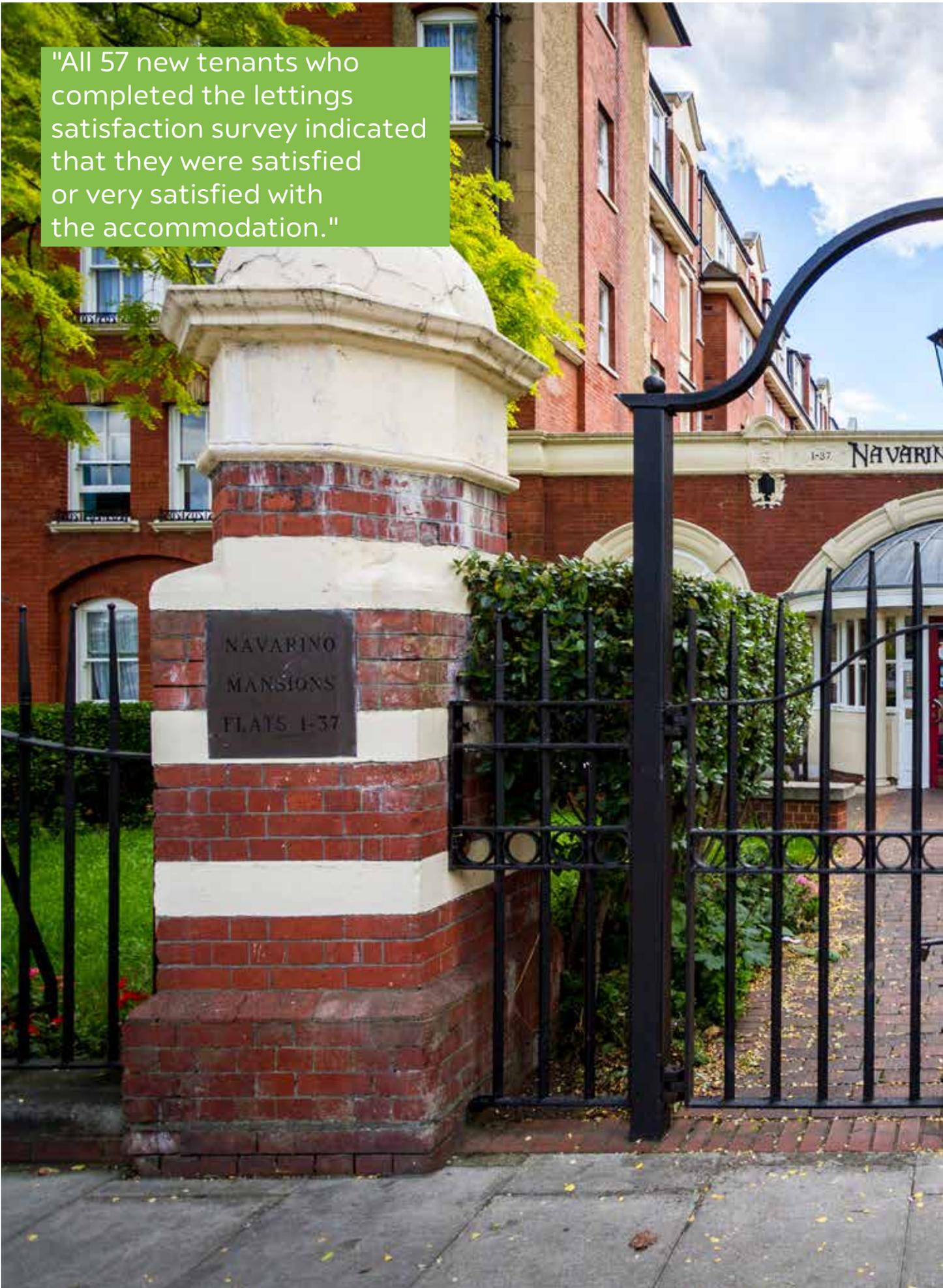
Our consistent debt management and welfare support performance again improved during 2016/17, with related activity costs continuing to reduce year-on-year. This meant we were able to invest more in what our residents wanted.

There are a number of challenges ahead, including implications from Brexit, further welfare reform, rent control and reductions, right to buy, demands of maintaining our existing stock and pressure to simultaneously deliver value for money. I look forward to working with you all in the exciting times ahead.

Suzanne Wolfe, Chief Executive
September 2017.



"All 57 new tenants who completed the lettings satisfaction survey indicated that they were satisfied or very satisfied with the accommodation."





Housing Management

Rent Collection

Against a backdrop of welfare changes, including the introduction of Universal Credit, we are able to report excellent results, with rent arrears down to 2.1% against a target of 3%. Rent due was £8,793,000; we collected £9,079,000.

The success of our approach, focusing on prevention and early intervention in arrears cases, is evidenced by the reduction of court cases from 54 in 2015/16 to 31 in

2016/17. There were no evictions for rent arrears during the year, an unprecedented success.

Void losses amounted to 1%, partly attributable to a number of void properties requiring major works prior to re-letting. Bad debt write-offs reduced to 0.2% – less than half than the previous year.

Lettings

We carried out 80 lettings over the course of the year. We welcomed 60 new tenants and transferred 20 of our residents to new homes.

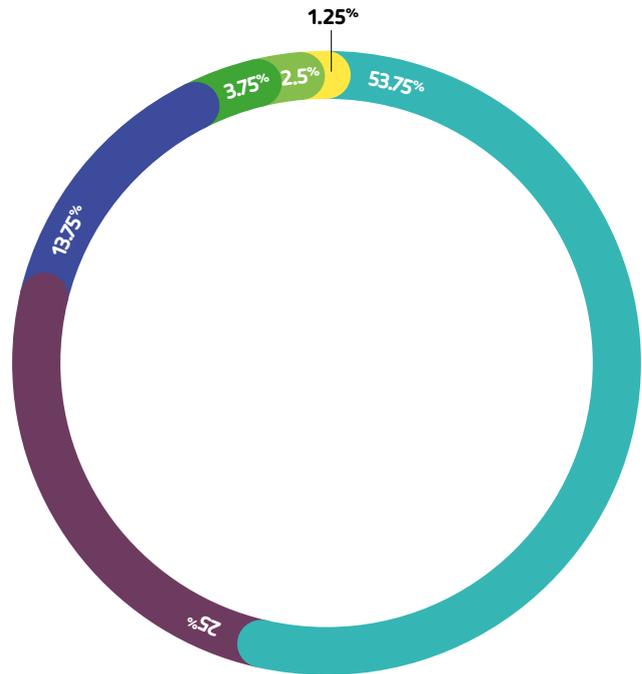
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We reduced the average time taken to re-let properties after works were completed from 18.5 to 16 days, well below the target of four weeks.

We also reduced the total time to re-let properties including all necessary works, from 47 to 42 days. Our complete turnaround period for non-sheltered housing was reduced from 46 to 34 days, helped by the speedy letting of our new build schemes at Millbrook Park, Mill Hill and Windmill Street, Bushey.

All 57 new tenants who completed the lettings satisfaction survey indicated that they were satisfied or very satisfied with the accommodation. Lettings were equally split between white and black and minority ethnic households, compared to 59:41% the previous year. The overall share of lettings across ethnic groups reflects the ethnic mix of the boroughs where we have accommodation, excluding any culturally specific schemes.

Lettings



LA Nominations	43
Transfers	20
Direct Applicants Sheltered	11
Referral Agencies	3
Community Letting	2
Community Worker	1
Total	80

Tenant Satisfaction Survey

Overall % satisfaction	2007	2010	2013	2016
With service	74	77	83	88
With quality of home	74	78	78	87
With neighbourhood	65	76	83	78
Rent provides value for money	77	75	81	89
Service charge provides value for money	N/A	N/A	72	80
With repairs and maintenance	75	73	72	86
Listens and takes views into account	69	54	70	77

Every three years, we arrange for an independent satisfaction survey to be carried out. 506 surveys were completed in 2016. 447 tenants stated that they were very or fairly satisfied with our service, with 22 expressing no preference. This maintains the trend of improved satisfaction rates achieved since 2007.

Of the other 6 core questions which all housing associations are required to ask, tenant satisfaction rates improved in (1) quality of the home 78% to 87%, (2) rent provides value for money 81% to 89%, (3) service charges provide value for money 72% to

80% (4) repairs and maintenance satisfaction from 72% to 86% (5) IDS listens to its residents and takes views into account from 70% to 77%. Satisfaction with neighbourhood rates slipped from 83% to 78% but we have limited control over this issue.

During the survey, respondents were given an opportunity to raise any specific issues of concern, which were forwarded to us and prioritised. We were pleased that 58 tenants expressed an interest in becoming involved in community activities.

Tenant Participation & Community Development

Arsenal in the Community youth programme continues at Evelyn Court. Events are held on four evenings each week including their online Double Club educational workshop, football coaching, girls' football sessions and a youth club night.

Star Academy Solutions continue to run their 15 week business start-up workshops at Evelyn Court in the IT suite along with free weekly ICT, English & Maths sessions funded by the Learning Trust and a job club with East London Rangers.

We have worked in partnership with a variety of other service providers to enhance the activities and opportunities for our tenants including Hackney Women's Forum, East London Vision, Beersheba Living Well, Hackney Carers, Corner Space, Hackney Link, Age UK, Bangla Housing, Community Pay Back, Jewish Care, Ways into Work and LC Creative Arts.

The Tenant Forum meets quarterly, consulting with tenant representatives about service delivery and policy changes. Tenants' association groups have held meetings on the 6 main estates. A Family Fun Day was held at Evelyn Court in September with a range of activities including 5-a-side football, martial arts display, local dance group display, food and live music from Turkish and African Caribbean communities.

School holiday events have been organised with the aim of encouraging more young people to become involved. Activities included capoeira martial arts classes, healthy eating awareness, community garden group, arts and craft, boxercise, tie and dye street dance, a nail and beauty workshop, mountain biking and narrow boating. Keep fit and IT classes have been held on our sheltered schemes. Monthly community coffee mornings were launched in January to meet and engage with more tenants on community issues.

New Developments

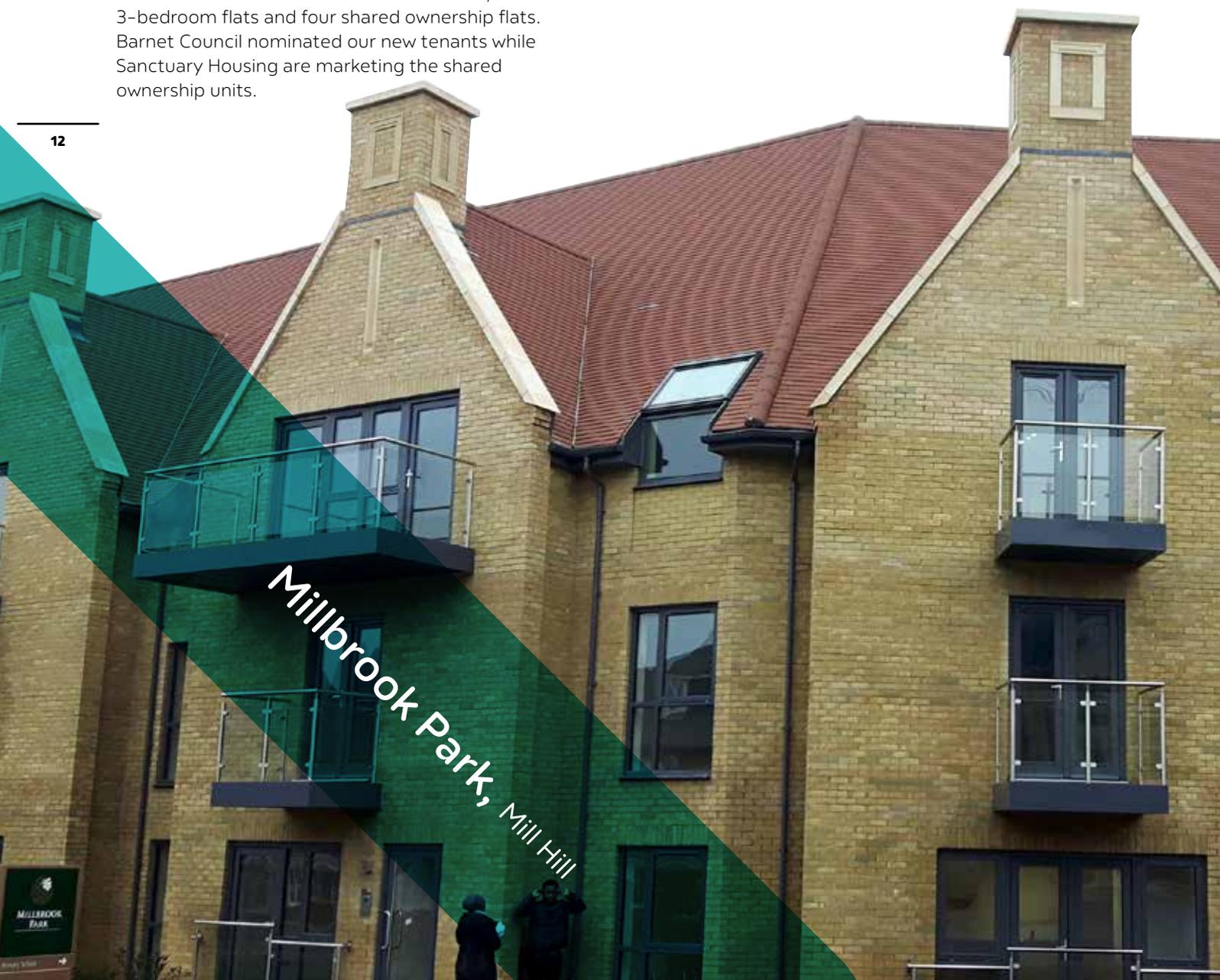
During the year, we completed two new developments

Windmill Street, Bushey Heath

Our first development of new homes in Bushey, Hertsmere was handed over in November. The scheme in Windmill Street has five 3-bedroom houses and two 4-bedroom houses and is part of a larger private development. Our homes were allocated to social housing nominations from Hertsmere's waiting list.

Millbrook Park, Mill Hill

The scheme is part of the Millbrook Park redevelopment, built on the site of a former barracks. Our allocation was four 4-bedroom houses, six 3-bedroom flats and four shared ownership flats. Barnet Council nominated our new tenants while Sanctuary Housing are marketing the shared ownership units.





Windmill Street, Bushey Heath

Property Managed

Scheme	Borough	Built	Homes
Abraham Cohen Court	Redbridge	2003	11
Ajex House	Hackney	1986	45
Cardinal Avenue ⁵	Hertsmere		5
Charlotte Court	Redbridge	1984	24
Clifford Lawton House	Hackney	1988	24
Cross Keys Court	Redbridge	2009	8
Evelina Mansions	Southwark	1901	72
Evelyn Court	Hackney	1934	317
Finchley Road	Camden	2015	4
Gabriel House ⁴	Hackney	2010	8
Genas Close ⁴	Redbridge	2007	4
Hackney Housing Co-op ¹	Hackney		86
Hilary Dennis Court ²	Redbridge	1997	35
John Golding House ³	Barnet		5
Koban Court ⁴	Barnet	2007	8
Laurel Court	Hackney	2009	10
Leslie Prince Court	Southwark	1979	11
Millbrook Park	Barnet	2017	10
Mocatta House	Tower Hamlets	1905	20
Mountside Walk ⁴	Hackney	2010	15
Nathaniel Court	Hackney	1968	24
Navarino Mansions	Hackney	1905	250
Olive Court	Hackney	2009	5
Rebecca House	Tower Hamlets	1933	32
Shared Ownership	Various		28
Somers Court ⁵	Barnet		8
Stepney Green Court	Tower Hamlets	1896	115
Stoke Newington	Hackney	1903	277
Street Properties	Various		37
Windmill Street	Hertsmere	2017	7
Total			1505

¹ Managed by IDS on behalf of Hackney Housing Co-op.

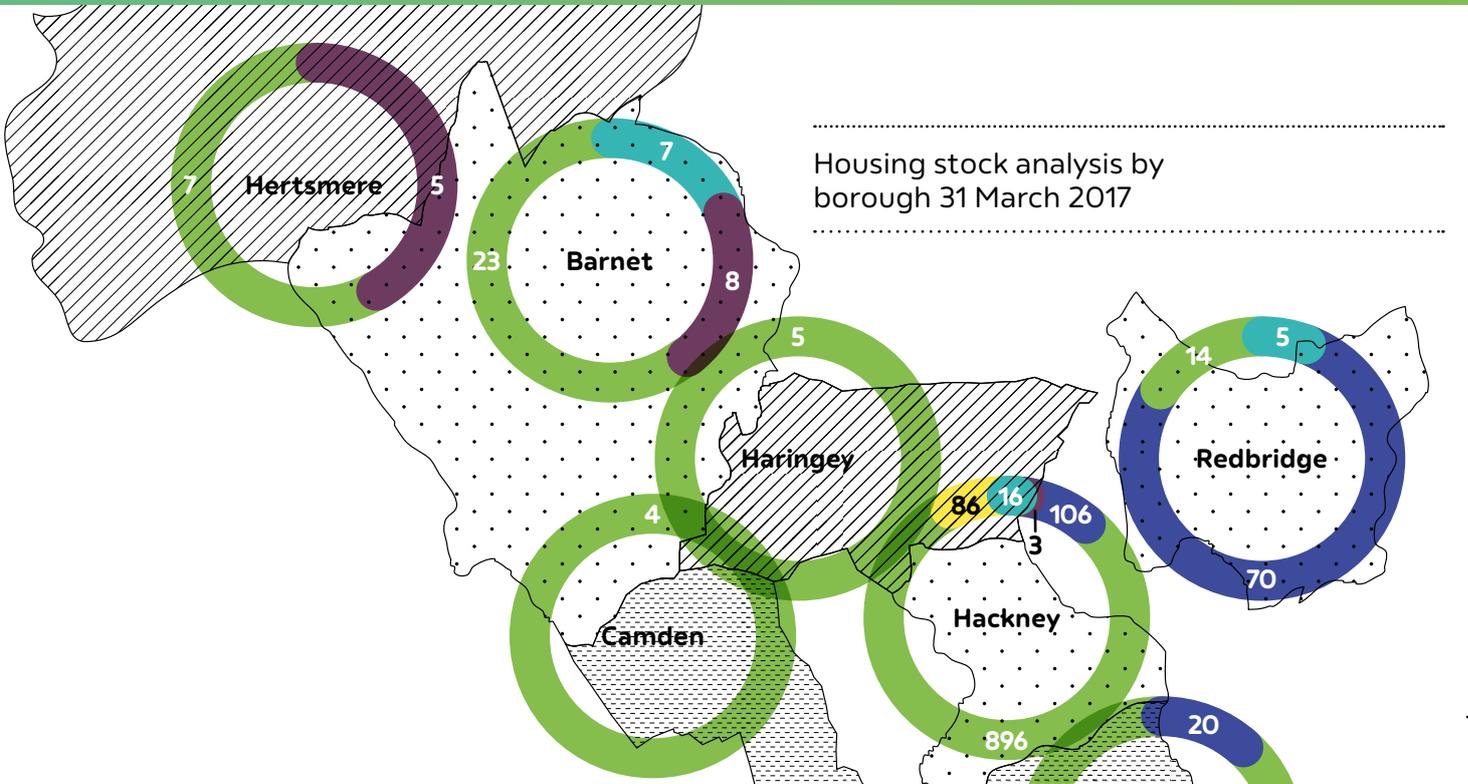
² Hilary Dennis Court is owned by IDS and managed in conjunction with Jewish Blind and Disabled.

³ John Golding House is managed by IDS on behalf of the John Golding Trust.

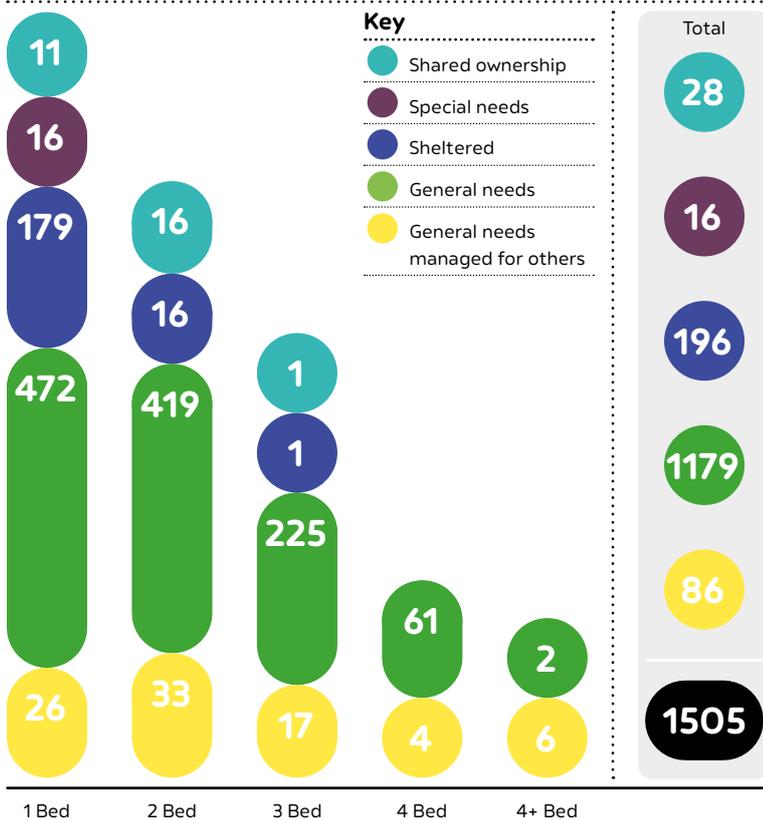
⁴ Excludes shared ownership.

⁵ Cardinal Avenue and Somers Court leased to Norwood for a term of 30 years.

Housing Stock



Housing stock analysis by size and type 31 March 2017



Non-residential property

1. Light workshops and storerooms at Evelyn Court, let on individual commercial leases
2. A parade of shops in Stoke Newington Road, let on individual commercial leases
3. Three workshops at Glenhaven Avenue, Borehamwood

Housing Maintenance

We replaced 250 major components across the stock, in summary these were:

- 89 Kitchens
- 64 Bathrooms
- 66 Boilers/Central Heating Systems
- 31 Electrical Installations

These were delivered by the IDS In-House Team and external contractors.

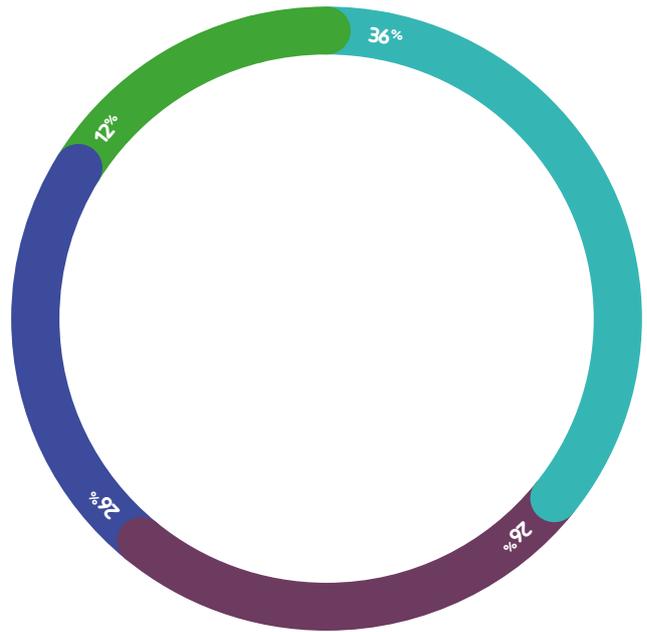
In addition to this, other major works undertaken included:

- Extensive damp-proofing to eight properties at Stoke Newington Estate
- Cyclical decorations at Navarino Mansions and Mocatta House
- Resurfacing of courtyards at Stepney Green Court
- Replacement door entry system to Evelyn Court & Clifford Lawton House
- Door and window replacement to one street property

Energy Performance Certificate surveys undertaken continue to confirm the average IDS property energy efficiency rating is located within band C, which is higher than the UK national average of band D.

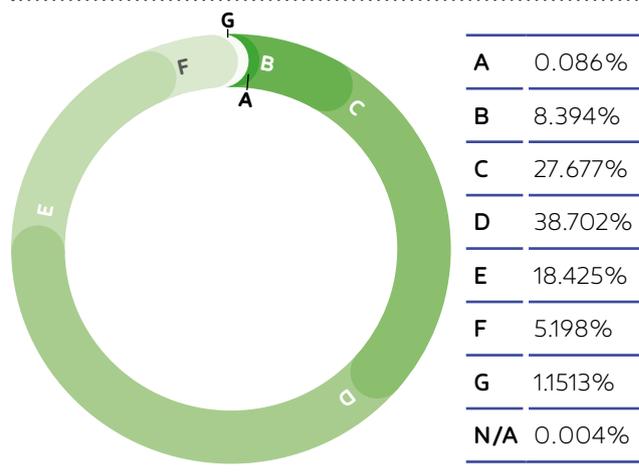


Major Works

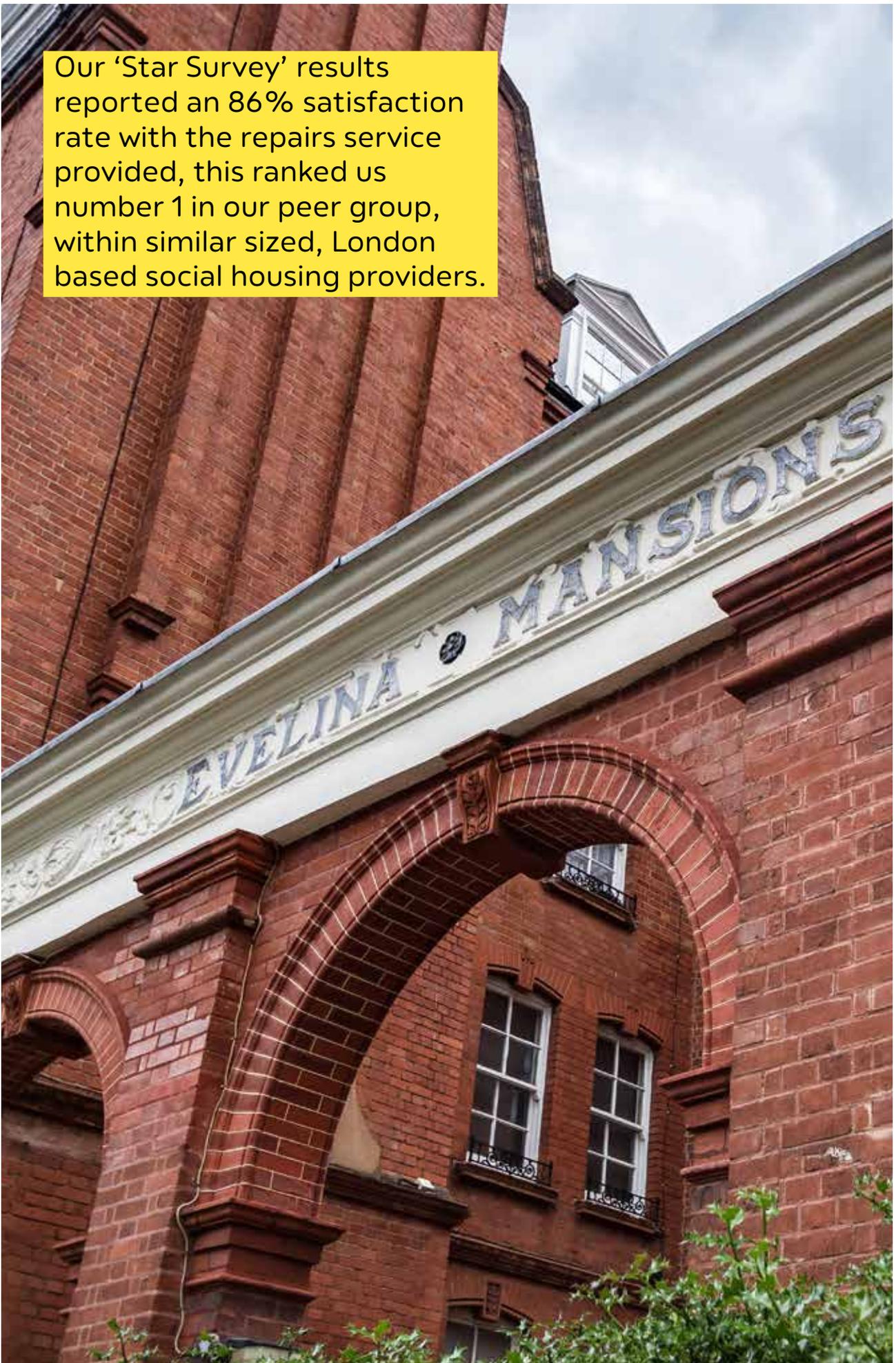


● Kitchen	89
● Bathroom	64
● Boiler / central heating	66
● Electrical	31
Total	250

UK National Average EPC Score



Our 'Star Survey' results reported an 86% satisfaction rate with the repairs service provided, this ranked us number 1 in our peer group, within similar sized, London based social housing providers.



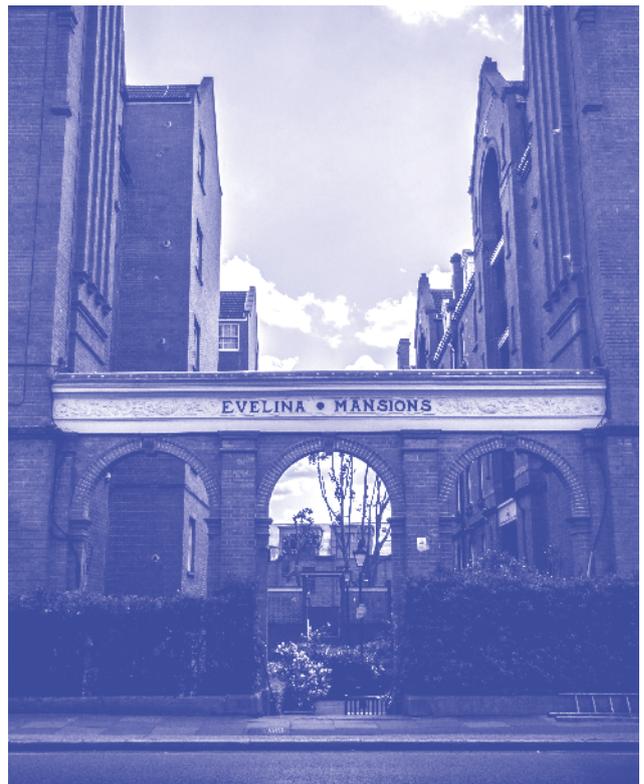
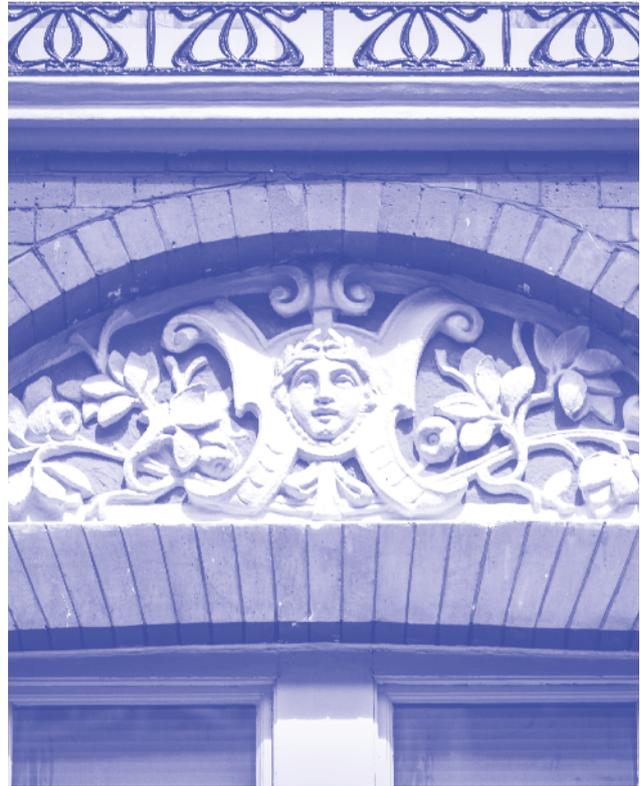
Financial

		2017	2016
		£000	£000
Statement of comprehensive income year ended 31 March 2017	Turnover	9,874	9,726
	Operating expenditure	(7,140)	(6,773)
	Surplus on disposal of social housing properties	189	188
	Gain/(loss) on revaluation of investment properties	271	(70)
	Operating surplus	3,194	3,071
	Interest receivable and finance income	26	13
	Interest payable	(614)	(637)
	Surplus for the financial year	2,606	2,447
	Other comprehensive income		
	Actuarial gain in respect of pension scheme	746	1,209
	Total comprehensive income for the year	3,352	3,656
Statement of financial position 31 March 2017	Fixed assets, Property, Plant & Equipment		
	Housing properties	62,564	61,750
	Other property, plant & equipment	361	436
	Investment properties	2,717	2,395
	Post employment benefits	1,423	441
		67,065	65,022
	Current assets		
	Inventory (first tranche shared ownership property)	232	-
	Trade and other debtors	481	489
	Investments	1,000	1,000
	Cash at bank and in hand	1,606	1,477
		3,319	2,966
	Creditors: amounts falling due within one year	(1,694)	(1,867)
	Net current assets	1,625	1,099
	Total assets less current liabilities	68,690	66,121
	Creditors: amounts falling due after more than one year	(39,247)	(40,030)
	Net assets	29,443	26,091
	Capital and reserves		
	Share capital (non-equity)	-	-
	Income and expenditure reserve	29,443	26,091
	Total capital and reserves	29,443	26,091

The Association continues to have a strong financial position and has operated well within its budget. The surplus for the year was £2,606,000 which exceeded last year's surplus by £159,000. This has been further increased by an actuarial gain on the pension scheme of £746,000. Turnover has increased from £9,726,000 to £9,874,000. The operating costs have increased to £7,140,000 compared to £6,773,000 last year. We have spent £2,410,000 compared to £2,397,000 last year on maintaining our properties. We are pleased to report that we have paid off the deficit on our pension scheme.

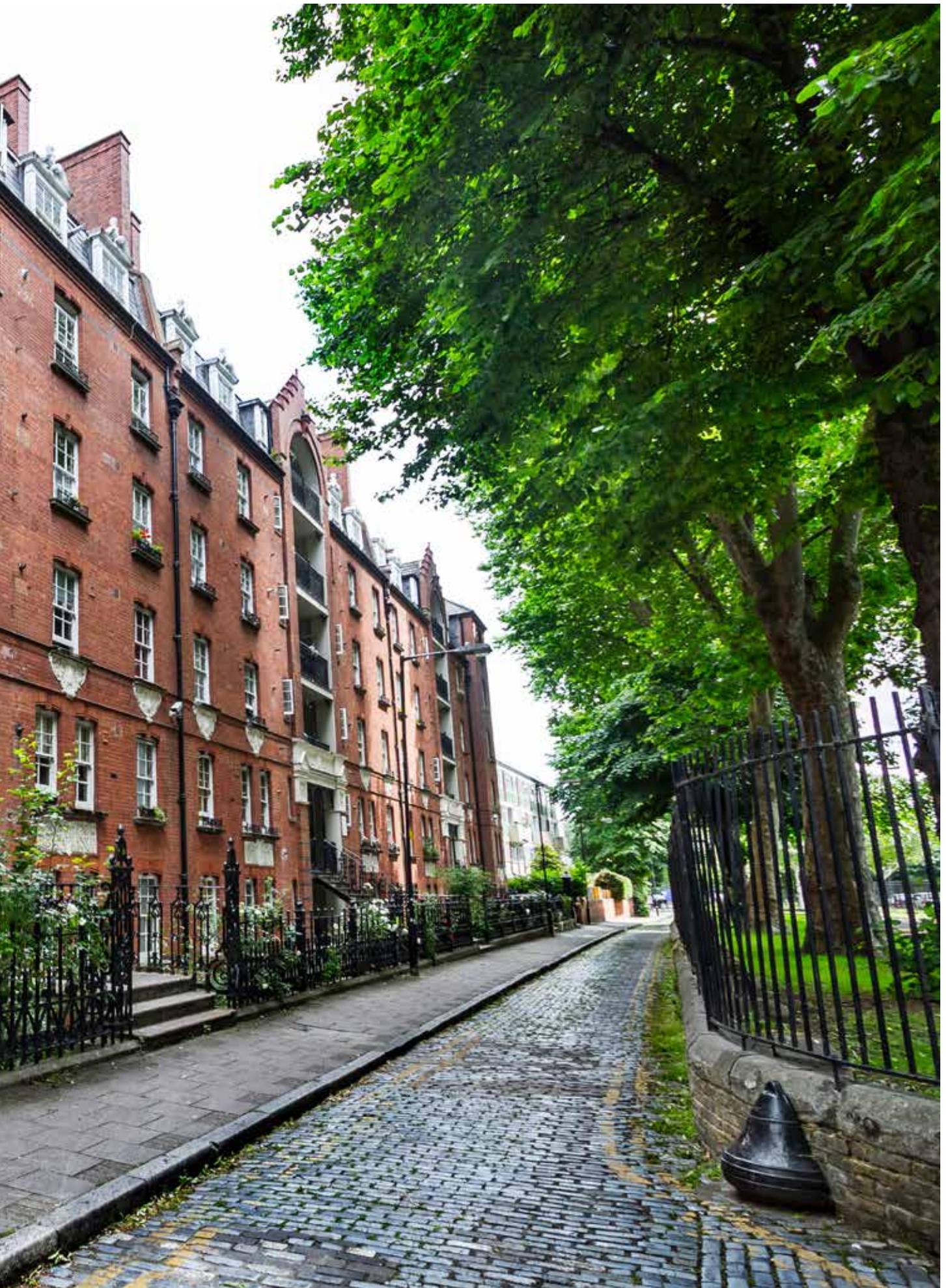
The Association continues to have a strong asset base with housing properties costing £80,893,000 against loans of only £9,576,000 charged against some of these properties. We spent a further £1,099,000 on capitalised major works this year and paid £1,380,000 on developing new schemes. Our liquidity position is very strong with a cash balance of £2,606,000.

The 30 year Business Plan indicates that the Association is financially viable and has adequate resources for the future. The Association has an undrawn loan facility of £5m with Royal Bank of Scotland to fund its future development. The Association continues to meet the expectations of the Homes and Communities Agency, lenders, internal and external auditors.



During 2016/17 we achieved over £300,000 efficiency savings. We will seek to build on this through our emerging Strategic Plan in 2017/18





Board, Executive Team & Advisors

President

Sir Evelyn de Rothschild

Board

Jonathan Davies (Chairman)

Maggie Cooke (Tenant Member)*

Alan Fell

Michael Firman

Janis Goodkind

Sara Leviten (Tenant Member)*

Bernard Myers

Ray Peacock

Michael Rabinowitz

Nicola Solomons

Joseph Stauber

*co-opted

London Borough of Hackney Representative

Cllr Susan Fajana-Thomas

Registered by the Homes & Communities Agency

Number L0266

Registered by the Financial Conduct Authority

Number 14044

Registered Office

1st Floor, Anna House

214-218 High Road

London N15 4NP

Telephone: 020 8800 9606

Facsimile: 020 8800 5990

Email: housing@ids.org.uk

Website: www.ids.org.uk

Executive Team

Chief Executive

Director of Finance

Director of Housing Services

Director of Technical Services

Suzanne Wolfe

Omar Mapara

Alan Finkel

Sean Kelly (acting)

Solicitors

OGR Stock Denton

Devonshires

Perrin Myddleton

Bankers

National Westminster Bank Plc

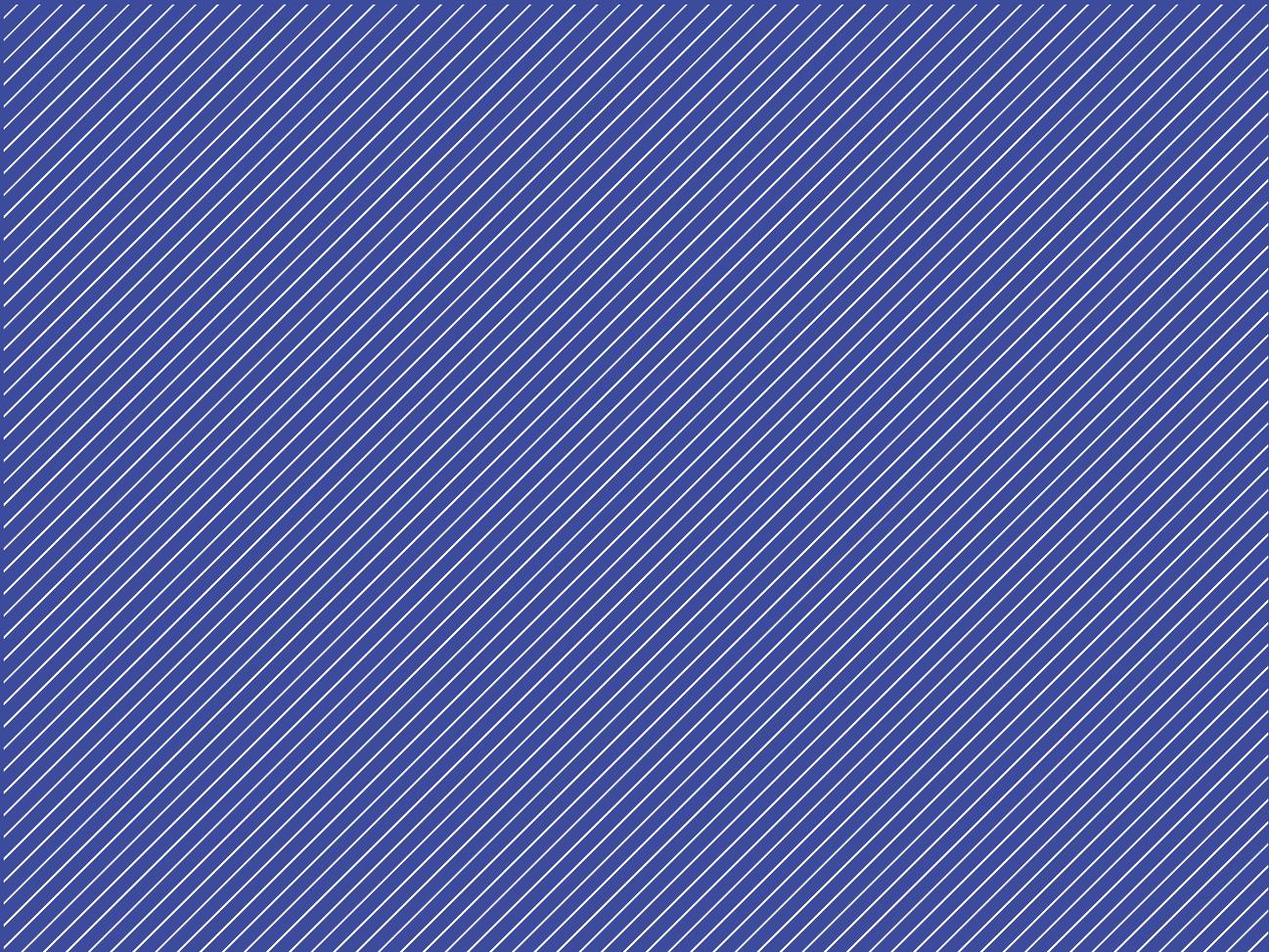
Dexia Credit Local

External Auditors

Nexia Smith & Williamson

Internal Auditors

Crowe Clark Whitehill



IDS
The
Industrial
Dwellings
Society (1885) Ltd

1st floor Anna House,
214 – 218 High Road
London N15 4NP

Tel: 020 8800 9606

<http://www.ids.org.uk>

