Striving for excellence

Annual Report 2011–2012

The Industrial Dwellings Society (1885) Limited
IDS has adopted the principles of the National Housing Federation’s Code of Governance. It should however be noted that the maximum term of nine years for Board membership only applies to service from September 2005. Additionally, where the Board resolves that a member, having served nine years, continues to make a “significant and continuing contribution”, then the member can be re-elected but on an annual basis. These measures are designed to ensure the introduction of new Board members continues whilst maintaining an element of continuity and the participation of highly valued and skilled members.
Chairman’s report

We are in the middle of a period of unprecedented changes for housing associations such as IDS. In many respects it is the calm before the storm as most of the changes which will significantly affect our tenants do not come into force until 2013. We are taking steps to identify those residents who are potentially most significantly affected by the overhaul of the benefit system and advising them of the steps they can take to mitigate the most severe cuts.

One change already in force is the system for funding new housing development. As part of our commitment to providing more affordable housing, IDS has joined a consortium headed by Sanctuary Housing, one of the largest housing associations in the country, and we now have a modest allocation for new housing under the ‘affordable rent’ programme. We are working hard to cope with the effects of a much reduced grant and potentially higher rent levels and balance this with the need to keep rents affordable, especially for larger families.

Legal problems at Mountside Walk, which prevented Metropolitan Housing Partnership marketing the shared ownership units and selling the 32 flats to IDS, were finally surmounted. Our purchase was completed in January 2012 and the sale of the shared ownership units completed shortly thereafter. Letting of the rented units at Mountside Walk combined with homes completed previously in the neighbouring Lathams Yard development has facilitated the establishment of a viable Orthodox Jewish community in the area, including a Synagogue and Yeshiva (Talmudical College).

A period of reduced activity at our youth project followed the departure of the founding leader of the ‘Makin it Happen’ project. We were however fortunate to secure the services of Leyton Orient Football Club’s community outreach arm. Subsequently we achieved promotion to the Premier League with the appointment of Arsenal Football Club to lead the project.

I am very pleased that there has been an excellent take up of these educational and sporting activities by the young residents of our Hackney estates.

Our longest serving Board member, Marian Herbst, has decided not to seek re-election at the forthcoming Annual General Meeting. Marian first joined the Board of IDS in 1984 and has helped shape many changes, particularly as the very successful Chairman of the Housing Committee. We are grateful to her for her contribution over the last 28 years.

Abdur Choudhury has announced his intention to retire from the post of Finance Director at the end of January 2013. By that time he will have worked for IDS for over 33 years. Abdur has helped steer IDS through several fundamental changes in the funding of housing associations, computerisation and subsequent changes in IT systems, five different chairmen and numerous changes in accounting policies culminating with the introduction of component accounting in the last financial year. Throughout, he has maintained a calm and ever cheerful disposition and is universally admired by his colleagues.

I would like to thank our staff and in particular our Chief Executive, Paul Westbrook, for their hard work over the year, often in difficult circumstances, and also my Board colleagues who give their time and expertise to IDS on a voluntary basis.

In common with all housing associations we are facing difficult challenges ahead but I am confident with our committed staff and Board members we will continue to fulfil our aim of providing decent affordable accommodation for those in need.

Jonathan Davies

Marian Herbst is retiring after 28 years on the IDS Board
**Management**

**Lettings**

During the course of the year we carried out 90 lettings. This is significantly lower than our forecast figure of 103 in the lettings plan. This may be because fewer tenants are surrendering tenancies as they become aware of changes to tenancy types, benefits levels and the introduction of penalty systems. There were also 2 lettings carried out for the Hackney Housing Co-Operative this year.

86% of our new tenants completed the satisfaction questionnaires with 99% indicating that they were satisfied with the accommodation.

We met our target of 44% of all lettings going to local authorities nominees.

The average turnaround period (time taken to let a property from the date it became available for occupation) reduced significantly from 5.66 weeks to 3.17 weeks this year. This was partly due to the introduction of penalties for internal bidders and liaison with councils to ensure faster provision of nominees.

**Rent collection**

The rent arrears at the end of March 2012 were £210,712, which represented 2.8% of receivable rent.

The gross rent due for the year was £7,371,330 (excluding £86,259 void losses) with £7,445,865 being collected. This represents 101% of rent receivable.

**Diversity monitoring**

The proportion of lettings to white households was 53% which is a little lower than last year (57%). Lettings to Asian households have decreased from 14% to 12%. While there have been fluctuations within the sub groups the number of lettings divided amongst so many sub groups make the numbers too small to be of any significance.

The proportion of lettings to black households has decreased from 25% to 18%. There were more mixed race households: 4.4% as opposed to 3% last year.

Lettings to BME applicants represent 39% of all lettings, down slightly from 41% last year. This reduction may be because more people declined to answer this year, 8% as opposed to 2%, and some of these may be in the BME categories.

While low lettings numbers and specialist schemes make it impractical to fully reflect population make-up within each authority, overall these figures exceed BME lettings targets in every borough except Redbridge. In Redbridge, all new tenancies were at sheltered schemes for Jewish residents.
As part of the satisfaction survey we have gathered data on satisfaction levels by sexual orientation.

It is unclear how useful this data might be to interpret, as 20% of all respondents (15 people) refused to answer this question at all. Only 1 respondent (1%) identified as gay or lesbian. The figures for gay/lesbian and bisexual respondents are therefore not statistically significant.

Most of our new tenants, 77 (86%), reported having no disabilities. All those reporting a disability were elderly people requiring level access housing and were all housed in our sheltered units.

Anti-social behaviour (ASB)

The number of new ASB cases during 2011-12 decreased in comparison with previous years. There was also a reduction in the number of ASB incidents on estates that develop into more serious cases.

The proactive steps taken by staff at estate level have assisted in the reduction of ASB and effects on the tenant population. The increased staff experience of managing more challenging ASB has improved their ability and responsiveness. This has allowed IDS to become more proactive in identifying and resolving issues with individuals.

Satisfaction with response to ASB

In 2011/12, 75% of tenants who responded to the survey were satisfied with the service. This rating was from all persons that had reported an incident of anti-social behaviour to IDS and received assistance to resolve their complaint.

At the 2012 staff conference, Chief Executive Paul Westbrook presented one of this year’s Merit Award to Rafael Larse.
Maintenance

The number of repair orders remain high, with 4193 being issued. This is the second consecutive year of higher than average repair requests. We aim to complete 97% of repairs within target for each priority level. This was virtually achieved, with 96.54% of orders being completed within the required period.

Projects undertaken during the year

Works undertaken by the in-house team

- Replaced 5 kitchen at Ajex House
- Rewired 20 properties at Evelyn Court
- Replaced 30 boilers at Evelyn Court
- Rewired 18 properties at Rebecca House
- Constructed a scooter store at Evelyn Court
- Formed an access link between the Fay Fisher Wing and the remaining parts of Ajex House

Works undertaken by the contractors

In addition to the work of the in-house team we have completed the following projects using contractors:

- External redecoration and draft stripping of the windows at Evelina Mansions and Mocatta House
- External redecoration of all our street properties
- Replacement of 10 kitchens and bathrooms at Evelyn Court
- Various one-off major repairs across our properties including kitchen replacements, gas boiler and central heating system replacements, and damp proofing to some of our older properties

Above clockwise: Pumps provide continuity of water supply at Mountside Walk. Since purchasing the property, as an additional failsafe, we have installed a bypass which can be used should the power supply to the pumps be interrupted.

Opening of new scooter store at Evelyn Court; one of our new kitchens at Evelyn Court.

Opposite: Roofing repairs at Rebecca House and Nathaniel Court, and brickwork repairs at Evelina Mansions.

Emergency repairs including out of hours: 100%
Urgent repairs: 96.62%
Non urgent repairs: 95.74%
Programmed repairs: 98.33%
Overall: 96.54%
providing homes, supporting communities
Development

Housing developments supported by grant under the new ‘Affordable Rent’ regime have generally been slow to take off. IDS joined a consortium for specialist housing associations to participate in the new programme. The consortium is led by Sanctuary Housing, the largest housing association in the United Kingdom. In an attempt to promote more housing with less grant support, the Government has replaced the previous system with one which requires higher rents to offset lower grant rates.

At the same time they are undertaking a major revision of benefit entitlements. Coupled together these measures result in higher risks for any housing association which continues to develop housing for rent. IDS sought a modest programme of 50 units to be developed as part of the 2011–2012 programme. Sanctuary’s bid incorporated this level of activity, but in London their application was scaled back by 40 per cent. We are now actively seeking to deliver the 30 units for which grant funding was made available. It is particularly difficult to find appropriate and affordable sites in areas which meet the needs of our client groups.

Last year we reported the purchase of Daniel Court in Edgware to provide independent living for clients of the Jewish charity, Norwood. Refurbishment work, undertaken by Norwood has been completed and the flats are now being occupied. Norwood has re-named the block Somers Court in recognition of support given to them by the Somers family over many years. A formal opening of the scheme was held in September 2012.

We were delighted to be able to provide further premises for Norwood through the acquisition of a property which they had identified in Borehamwood, Hertsmere. This is a smaller-scale project which will house three Norwood clients and allow a support worker to sleep over when necessary. The location is particular appropriate as it will enable people currently living some distance from their family homes to be re-housed in a more appropriate environment and location.

Legal complications not involving directly IDS delayed the fulfilment of the planning obligations for the new scheme at Mountside Walk, Leaside Road. Without the stamp of approval from the planning authority, IDS was unable to complete the purchase of the scheme from Metropolitan Housing Partnership (MHP). It also effectively prevented MHP from selling the shared ownership flats to individual applicants. The problems were finally overcome and the scheme transferred to IDS ownership in January 2012. Once our acquisition was completed, the home ownership branch of MHP, acting as agents for IDS, were able quickly to sell the remaining flats to eligible applicants.
Chairmen and Chief Executives of IDS and Norwood at the opening of Somers Court.
Financial summary 2011–2012

Highlights of the year included:

- Generated a surplus of £1,695,000 before adjustment for actuarial loss on the Pension Fund of £1,113,000;
- Spent £2,921,000 on property maintenance, of which £484,000 was capitalised;
- Completed the purchase of 32 properties, of which 17 were shared ownership flats and 15 were large social rented homes;
- Acquisition costs for new properties was £6,508,000 including Social Housing Grant of £2,891,000;
- Realised a profit of £19,000 from the sale of first tranches of shared ownership properties;
- Introduced Component Accounting to comply with new accounting standards. This required a provision for depreciation of £371,000 and capitalisation of major repairs expenditure totalling £484,000.

Income and expenditure account year ended 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>2012 (£000's)</th>
<th>2011 (£000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>9,038</td>
<td>7,605</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>(1,161)</td>
<td>(42)</td>
</tr>
<tr>
<td>Operating costs</td>
<td>(5,661)</td>
<td>(5,800)</td>
</tr>
<tr>
<td>Operating surplus</td>
<td>2,216</td>
<td>1,763</td>
</tr>
<tr>
<td>Interest receivable and other income</td>
<td>111</td>
<td>62</td>
</tr>
<tr>
<td>Interest payable and similar charges (mortgaged)</td>
<td>-632</td>
<td>-431</td>
</tr>
<tr>
<td><strong>Surplus for the year</strong></td>
<td><strong>1,695</strong></td>
<td><strong>1,394</strong></td>
</tr>
</tbody>
</table>

Statement of recognised surpluses and deficits for year ended 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>2012 (£000's)</th>
<th>2011 (£000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Surplus/(deficit) for the year</td>
<td>1,695</td>
<td>1,394</td>
</tr>
<tr>
<td>Actuarial gain/(loss) on pension scheme</td>
<td>(1,113)</td>
<td>30</td>
</tr>
<tr>
<td><strong>Surplus/(deficit)</strong></td>
<td><strong>582</strong></td>
<td><strong>1,424</strong></td>
</tr>
</tbody>
</table>

Balance sheet 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>2012 (£000's)</th>
<th>2011 (£000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing properties</td>
<td>65,736</td>
<td>59,123</td>
</tr>
<tr>
<td>Social Housing Grant</td>
<td>(43,337)</td>
<td>(40,454)</td>
</tr>
<tr>
<td>Other tangible fixed assets</td>
<td>22,399</td>
<td>18,669</td>
</tr>
<tr>
<td>Fixed Assets investment</td>
<td>260</td>
<td>199</td>
</tr>
<tr>
<td><strong>Total Fixed Assets</strong></td>
<td><strong>22,659</strong></td>
<td><strong>18,868</strong></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debtors</td>
<td>827</td>
<td>861</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>3,799</td>
<td>6,304</td>
</tr>
<tr>
<td><strong>Net (liabilities) / current assets</strong></td>
<td><strong>3,740</strong></td>
<td><strong>6,228</strong></td>
</tr>
<tr>
<td><strong>Total creditors: amount falling due within one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(886)</td>
<td>(937)</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets less current liabilities</strong></td>
<td><strong>26,399</strong></td>
<td><strong>25,096</strong></td>
</tr>
<tr>
<td><strong>Current creditors: amount falling due after more than one year</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,105</td>
<td>10,205</td>
<td></td>
</tr>
<tr>
<td>Pension scheme liability</td>
<td>1,128</td>
<td>307</td>
</tr>
<tr>
<td><strong>Capital and reserves</strong></td>
<td><strong>15,166</strong></td>
<td><strong>14,584</strong></td>
</tr>
<tr>
<td><strong>Income and expenditure account</strong></td>
<td><strong>26,399</strong></td>
<td><strong>25,096</strong></td>
</tr>
</tbody>
</table>

The summary accounts are set out opposite. A full set of audited accounts is available on request from IDS head office.
Farewell to Abdur

AFTER 33 SUCCESSFUL YEARS WITH IDS I have decided to retire at the end of January 2013 at the age of 65. I joined IDS in 1979 when there were 1160 units under management with six head office staff and a turnover of £445,000. Today there are 1480 units with 32 head office staff members and a turnover of £9,038,000. The total assets at book value have increased from £4.8 million to £71 million.

I have felt a great deal of satisfaction in being part of a ‘not for profit’ service provider with its mandate to provide affordable housing solutions for those in need. The fact that the office is so close to my home and within walking distance of a mosque was also a great advantage.

I worked with two Chief Executives, with two very distinct styles of management. I greatly enjoyed working with them both. The most significant changes took place upon the appointment of Paul Westbrook in 1988 with the restructuring of housing management. Since 1992 there have been no changes in senior management staff, which is a clear indication of the fact that staff enjoy working for the Society. I believe IDS offers a real sense of openness and ownership together with a stable working environment. This is appreciated by all staff. I am proud to have been a part of the Society.

Over the past three decades I have had the privilege of working with five Chairmen, as well as three Chairmen of the Finance and Development Committee, each with highly professional backgrounds. They all played active roles in discharging their responsibilities as Board members. I have enjoyed working with them all.

I would like to record my appreciation to my colleagues, particularly the finance staff for their support. I wish my successor the best of luck as they assume their responsibilities as Director of Finance. I look forward to keeping in touch with you all after retirement and I wish you all the best.

Abdur Rashid Choudhury
Tenant participation

It has been a busy year out and about on our schemes and estates. Stepney Green Community garden continues to flourish as the plants become established and new additions fill available gaps. The residents at Clifford Lawton House replanted their roof garden and held a tea party to celebrate its completion. Diamond Jubilee celebrations were held at several schemes with entertainment provided. Arsenal have successfully taken over the youth project at Evelyn Court providing after school clubs and sporting activities. Bert Woods celebrated his 90th birthday at Navarino Mansions and Silver Surfers received certificates having successfully completed Information Technology training.
Properties managed and analysis of housing stock by size and type 31 July 2012

- **Abraham Cohen Court**: Redbridge, 2003, 11 homes
- **Ajex House**: Hackney, 45 homes
- **Cardinal Avenue**: Hertsmere, 1 home
- **Charlotte Court**: Redbridge, 1984, 24 homes
- **Clifford Lawton House**: Hackney, 1988, 24 homes
- **Cross Keys Court**: Redbridge, 2009, 8 homes
- **Evelina Mansions**: Southwark, 1901, 72 homes
- **Evelyn Court**: Hackney, 1934, 317 homes
- **Gabriel House**: Hackney, 2010, 8 homes
- **Genas Close**: Redbridge, 2007, 4 homes
- **Hackney Housing Co-op**: Hackney, 86 homes
- **Hilary Dennis Court**: Redbridge, 1997, 35 homes
- **John Golding House**: Barnet, 5 homes
- **Koban Court**: Barnet, 2007, 8 homes
- **Laurel Court**: Hackney, 2009, 10 homes
- **Leslie Prince Court**: Southwark, 1979, 11 homes
- **Mocatta House**: Tower Hamlets, 1905, 20 homes
- **Mountside Walk**: Hackney, 2010, 15 homes
- **Nathaniel Court**: Hackney, 1968, 24 homes
- **Navarino Mansions**: Hackney, 1905, 250 homes
- **Olive Court**: Hackney, 2009, 5 homes
- **Rebecca House**: Tower Hamlets, 1933, 32 homes
- **Shared Ownership**: Various, 28 homes
- **Somers Court**: Barnet, 8 homes
- **Stepney Green Court**: Tower Hamlets, 1896, 115 homes
- **Stoke Newington**: Hackney, 1903, 277 homes
- **Street Properties**: Various, 37 homes

**Total**: 1480 homes

**Key**
- Shared ownership
- Special needs
- Sheltered
- General needs
- General needs managed for others

**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
Housing stock by borough 31 July 2012

Key:
- Orange: Shared ownership
- Purple: Special needs
- Red: Sheltered
- Blue: General needs
- Green: General needs managed for others

**Hertsmere**
- 1

**Barnet**
- 3
- 8
- 8
- 5

**Southwark**
- 83

**Redbridge**
- 6
- 70
- 13

**Tower Hamlets**
- 20
- 147

**Haringey**
- 5

**Hackney**
- 19
- 1
- 106
- 897
- 86