



Annual report for tenants 2017/18



Because good homes
make everything possible

Welcome to the annual report for tenants 2017/18, where you can find information about how we're doing against our targets, our performance and achievements over the last financial year. Our reporting runs from April 2017 to March 2018 with the financial year.

It's been a good year for us where we've seen our overall customer satisfaction increase to 87%.

Our new targets to achieve by 2023 are:

- ▶ **5,000** new homes over five years,
- ▶ Become a Sunday Times **Top 100 Company** to Work For
- ▶ Achieve **90%** customer satisfaction
- ▶ Reach **35%** operating margin on core social housing business.

We are an award-winning housing association and build award-winning homes. These are a few of the awards we won during 2017/18:

- ▶ Landlord of the Year at the RESI Awards 2017
- ▶ 5* health and safety rating from the British Safety Council
- ▶ Best Starter Home Scheme for The Crescent, Hertford at the WhatHouse? Awards 2017
- ▶ First prize for Project Vista at the London Homelessness Awards 2017
- ▶ Employee Engagement Strategy of the Year and Improvement Strategy of the Year at the UKCCF Contact Centre Awards 2017
- ▶ Silver Award for Bircherley Court in Best National Housing with Care Scheme 59 units and Avonhurst House in Best National Retirement Housing Scheme, 37-43 units at the National Housing for Older People Awards.

87%

overall customer satisfaction

773

new homes started

£66,000

raised for St Mungo's.

Your rent

We set the rent for our social rented homes in line with the Government’s policy on target rents and based on the size and value of the property. The chart below shows the average rent for our properties per week.



Average social rent per week 2017/18

Studio	£87.37
1 bed home	£104.46
2 bed home	£120.17
3 bed home	£133.54
4 bed home	£142.31
5 bed home	£151.71
6 bed home	£162.88
Average	£121.46

We also offer homes for Affordable Rent, brought in by the Government in 2011. Our Affordable rents are set in line with the Government’s guidance and are capped at 80% of the market rent level.



Average affordable rent per week 2017/18

1 bed home	£177.90
2 bed home	£208.79
3 bed home	£199.08
4 bed home	£225.76
5 bed home	£370.66
Average	£196.92

We have a target of 4.25% rent arrears; in 2017/18 we beat the target and were at 3.96% rent arrears.

Please note: the average rent of a two bed home is higher because we have more two bed homes in London, where rents are typically higher, than we have in areas outside London.

How we spend each £1 of your rent



- ▶ Housing management and administration
- ▶ Repairs and maintenance
- ▶ Payment for leasing properties
- ▶ Service charge
- ▶ Depreciation – how our housing properties and other fixed assets’ price reduces over their ‘estimated useful life’
- ▶ Loan interest payments

Customer services

We're dedicated to providing you with a high level of service and we're working towards achieving 90% customer satisfaction. In 2017/18 87% of our customers were satisfied overall with our services.

Complaints

We recognise the importance of customer complaints and welcome them as a valuable form of feedback about our services. We aim to resolve all complaints at first point of contact, which is stage one of the complaints process.

The Housing Ombudsman received 24 enquiries from residents, resulting in four investigations, with the Ombudsman deciding that Network Homes had dealt with the complaint appropriately in all four cases. On average the Ombudsman finds fault with the landlord in 37% of cases.

We responded to 69% of our complaints on time, against a target of 90%. We're bringing in a new database to help us improve this figure for 2018/19.

Stage of complaint	Number of complaints
Stage 1 (Resolved by the Management Team)	1,449
Stage 2 (Resolved by the Director or Executive Director)	98
Stage 3 (Resolved by the Board)	25
Total	1,572

82.4%

of enquiries resolved at first contact, so your query is resolved quicker. We beat our target of 80%.

Empty homes

Before new families can move into an empty home, we need to check the property is safe, clean and in a good state of repair.

Our target time to get this done is 28 days from moving out one resident and moving in another. For 2017/18 we were just outside our target at 28.8 days.

We lost 1.08% of potential rent money due to homes being empty – some of this is unavoidable as the homes have to be made safe and in a decent condition for our residents to live in. But the figure could be lower if we were more efficient in our internal processes.

Repairs

We are committed to making sure that your home is well maintained and in a good state of repair.

81.7% resident satisfaction with overall repairs, against a target of 85%

99.96% of homes had a valid gas safety certificate, against a target of 100%

93.1% of reactive repairs were completed on time (this figure doesn't have a target set).



Thriving communities

Our social purpose is at the heart of everything we do – we invest money in resident events, training, employment support and community projects to support the communities we work in.

We encourage resident involvement at every level of the organisation and offer a variety of ways to get involved and help us to improve our services.

Supporting our communities during 2017/18:

851

hours of information and guidance given

12

apprenticeships secured
10 with our contractors and
2 with Network Homes

98

residents registered on our job ready programme Worksmart

49

residents helped into employment

99

residents supported in developing their CVs

28

unemployed people gained work experience or accredited training

Financial inclusion

£1.4m

recovered in unclaimed benefits by our welfare team

Support for homeless people

41

homeless young people supported through Project Vista, our work with New Horizon Youth Centre

£12,065

worth of grants, furniture and food bank vouchers given to residents

£66,000

raised for St Mungo's through a staff challenge from London to Paris

Value for money

We're always monitoring to make sure we're delivering value for money services. We benchmark our services using HouseMark, a membership-based organisation which seeks to help the social housing sector improve performance and achieve value for money.

This year, we've:

- ▶ Completed **284** new homes, with 79% for social or affordable rent or shared ownership, against a target of 465. This is because several projects were delayed while we reviewed fire safety across our homes
- ▶ Started **773** new homes, against a target of 344
- ▶ Invested **£73 million** in new homes
- ▶ Invested **£14.8 million** in maintaining our existing homes.

Financial results

Network Homes income

▶ Social housing income (rent, service charge and grants)	£144,788,000
▶ Surplus on sales of properties	£10,804,000
▶ Interest on bank deposits	£283,000
▶ Other social income*	£9,960,000
▶ Non-social income**	£55,345,000
▶ Revaluation of investment properties	£1,005,000
▶ Restructuring of loans	£87,000
Total income	£222,272,000

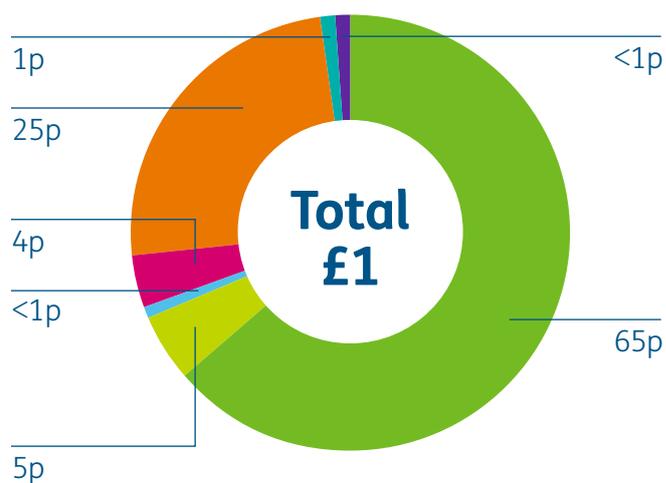
Network Homes expenditure

▶ Social housing	£107,800,000
▶ Properties sold	£37,361,000
▶ Loan interest payments	£26,333,000
▶ Other social costs*	£3,380,000
▶ Non-social costs**	£3,482,000
Total expenditure	£178,356,000

Cost

Cost

Where does each pound come from?



Where each pound goes?



*Other social income includes fees from agency contracts, supporting people contracts and sale of shared ownership properties.

** Non-social income includes rent from commercial properties, rent from student accommodation properties, and market sale properties.