



Unlocking the potential
of people and places



Annual review
2009-2010



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About Southern Housing Group

Southern Housing Group is one of the largest affordable housing providers in southern England. Our mission of “Unlocking the potential of people and places” unites the organisation behind a common set of qualities and objectives. The values underpinning our mission statement are to be Progressive, Inclusive, Responsible and Reliable.

Our 2009-2012 Corporate Plan rests upon our mission and values and aims to focus the organisation’s activities and enhance our service delivery. Our six strategic objectives are concerned with understanding residents’ needs, building the reputation and long-term growth of the Group, instilling a value for money culture, recognising and promoting diversity, and enabling staff and board members to develop their skills.

The Group houses 66,000 residents, manages more than 25,500 homes, employs almost 900 people and works in over 70 different local authority areas. Our activities focus on four key areas:

- The development of affordable housing
- Housing and neighbourhood management
- Housing options for rent and home ownership
- Social and economic regeneration

Achievements in 2009/10

Baden Powell Close, Barking and Dagenham

– Royal Institute of British Architects London Awards shortlist

Southern Housing Group

– finalist in Best Work Experience Provider, Charitable Sector, National Council for Work Experience Awards

Kidbrooke, LB Greenwich

– Affordable Home Ownership Awards 2009

– Best Development Partnership with Berkeley Homes

Royal Arsenal, LB Woolwich, Base 18 and the Armouries

– Affordable Home Ownership Awards 2009

– Best Development Partnership with Berkeley Homes

Customer Service Centre

– Accreditation with the Customer Contact Association



Chairman's and Chief Executive's statement

The past year has been one of the most challenging in our history. The impact of the recession on the housing market has been extensive and although we were prepared, this period of uncertainty has pervaded every aspect of the Group's work.

The Group must continue to monitor carefully the fiscal environment and changes in regulation, which will impact the housing sector for many years to come.

Public subsidies have been significantly reduced and are likely to be reduced further in the future. There is still little prospect of any assistance to improve the availability of affordable mortgage finance for first time buyers and shared owners, which continues to inhibit the home ownership market.

The current economic climate has challenged us to think differently about how we continue to improve our services to residents. Guided by our mission of "Unlocking the potential of people and places", the first year of our Corporate Plan 2009-2012 has been implemented successfully, improving service standards and working to engage residents further in our work. It is critical that the Group protects its commercial interests while continuing to produce affordable housing; but we also need to look to the future, both in how we progress our development programme and how we manage the operation of the business.

Corporate efficiency is key to delivery and our internal structures are evolving to ensure the business is as efficient as possible. By October 2010 we expect to have amalgamated Southern Housing Group Limited (SHGL), James Butcher Housing Association Limited (JBHA) and South Wight Housing Association Limited (SWHA) to create a single charitable housing association called Southern Housing Group Limited. By streamlining we

will be able to make our internal processes much simpler and efficient and savings will be available for improving services, local neighbourhoods, and building new homes.

We have also seen some consolidation in our property services team to help focus on delivery, bringing maintenance and renewal under one department, and have reviewed how we manage our sheltered housing in both SHGL and at JBHA. The change of approach for sheltered housing serves to clarify our role against the shifting background and changing needs and expectations of older people and the prospect of ongoing reductions in Supporting People funding. We are implementing an approach for our sheltered housing which integrates the management into the Group's existing resident services teams, while transferring the provision of care and support to new and experienced providers.

The economic crisis also forced us to rethink how schemes are funded. The Group participated in a THFC (The Housing Finance Corporation) club initiative raising bond finance of £100m at very competitive rates.

Happily we continue to have a lot to celebrate. Seventy-five artists spent February transforming empty blocks at the old Market Estate in Islington culminating in an art event in March that attracted 2,500 visitors. The event was a fitting way to mark the end of the five-year regeneration of the estate, now renamed Parkside Place, with residents and staff.

This year has seen change at Board level. Board members John Argent and Neville Hudson have both retired after the maximum nine years' service. We would like to thank them for their continued support and hard work on the Group's behalf.



“Southern Housing Group remains in a position of financial and operational strength. The year ahead will undoubtedly bring surprises, but we believe we are in a sound position to deal with them and we look forward to the challenge.”

Tom Dacey, Chief Executive of Southern Housing Group



Tom Dacey
Chief Executive of
Southern Housing Group



Andrew McIntyre
Chairman

Left: Tom Dacey, Chief Executive of Southern Housing Group, Sir Bob Kerslake, Chief Executive of the Homes and Communities Agency, Tony Pidgley, Chairman of The Berkeley Group and Cllr Chris Roberts, Leader of Greenwich Council, performed the ceremony to mark the Kidbrooke regeneration scheme's official start on site in September 2009.



Case study:

The new Dagenham Library development is a £17m project which incorporates a library, a one stop shop for council services, community facilities and 82 affordable rent and intermediate rent homes, known as Church Elm Court. A joint project with Barking and Dagenham Council, Bouygues UK and the Homes and Communities Agency, the building features a two-storey coloured glass-fronted library entrance.

Group Chief Executive, Tom Dacey, said: "Our partnership with Bouygues UK and the London Borough of Barking and Dagenham represents significant investment in the regeneration of Dagenham Heathway."

The completion of Dagenham Library means that Southern Housing Group owns and manages nearly 900 properties within the borough.



Making a house a home

Beating our new homes targets

In the last year we exceeded our planning target and we continue to find ways to provide new homes by utilising innovative funding, sales and rental solutions. We completed 789 new homes, ahead of our projections, 649 of which were part of the HCA partnering programme. We have started work on a further 730 new homes in the new financial year, which is again above our start of year target.

Partnership working

Partnership working is crucial to delivery and we continue to collaborate with a wide-range of organisations.

For example, the £29m Highbury Gardens, in Holloway Road, Islington, is being developed with First Base, the HCA and Mansell and will provide 119 homes, 57 owned by Southern Housing Group.

Through the Group's subsidiary Southern Space, which focuses on outright sale properties, we have been developing homes with low carbon emissions, such as Brookside Gardens in Jacob's Well, near Guildford, which features eight, three and four-bedroom family homes.

Making room for excellence

Southern Housing Group commissioned Peter Barber Architects to transform a narrow site in Dagenham, which was being used as a dumping ground, into a terrace of 14 courtyard homes. Baden-Powell Close provides houses for social and intermediate rent, with two three-bedroom bungalows designed for wheelchair users. Central to the design of the scheme are its eco-credentials and the homes benefit from green roofs to absorb rainfall and allow for biodiversity as well as providing good insulation. A selection of the homes also use ground source heat pumps for heating and hot water. The development was shortlisted for a Royal Institute of British Architects award for its high architectural standards and contribution to the local environment.

South Wight Housing Association, Southern Space and the Isle of Wight Council have been working together to

deliver an attractive scheme on the site of a former scrap yard. Southern Quarter in Ryde is a £19.3m development with 149 homes – 58 of which are for affordable rent. Properties include one-bed starter homes and three-bed traditional homes and are a welcome addition to the island's stock, where new homes are in short supply. The development was awarded a Local Authority Building Control Building Excellence Award for best social housing development.

A new chapter for an historic site

With a military history dating back to 1671, the Royal Arsenal in Greenwich was a facility for the manufacture and storage of armaments until 1967. The site has been transformed into a new community, featuring 2,500 homes, alongside museums, shops, cafes and workspaces. The Group's latest release at the development is the Armouries - 300 high quality, affordable homes in a mix of tenures, with a large balcony or terrace for every apartment. Royal Arsenal, Base 18 and the Armouries won Best Development Partnership with Berkeley Homes in the Affordable Home Ownership Awards 2009.

Better by design

Holborough Valley in Snodland, Kent provides mixed tenure homes in a development which includes green spaces, lakes, cycle paths and local facilities. The first 76 homes used the 'Super E' timber panel system from Canada, delivering high energy efficiency and reduced heating costs.

The final phase of development, due to be completed in Spring 2012, will provide a further 85 homes for affordable rent.

Going for gold

Southern Housing Group is a partner in Triathlon Homes, a joint venture established to purchase, own and manage affordable homes at the Athletes' Village after the London 2012 Olympics. Triathlon Homes has created an innovative investment vehicle to facilitate the purchase of affordable homes from the Olympic Delivery Authority. The project will provide 2,818 homes, 1,379 of which are affordable.



Case study:

Resident Joanne Thripp had her kitchen replaced as part of the Decent Homes work at Liverpool Road. She was delighted with her new kitchen. She said:

“On Day One two guys were here all day and did not leave the premises until 6:45pm! They had major problems with the tiles and woodchip on the ceilings (put up by a previous tenant) so stayed late to get the job done. They did not leave the flat until they had cleared up all the mess, so to say EPS (Environmental Property Services) were off to a very good start in my books was an understatement.

I have since had the plumber in and the electricians - the speed at which your guys are working is amazing, as electric works tend to be the worst. My husband and I took our son out for a while and thoroughly trusted the electricians to have the keys to our flat (not something we would usually do to be honest).

“I really wanted you to know how delighted I am with the job that EPS are doing - each and every one of you really seems to go the extra mile to please the tenant.”

Doing the decent thing

The Government's Decent Homes deadline is imminent but the Group is already well on the way to meeting its requirements.

We have until December 2010 to make all the necessary improvements to our housing stock, but work on the vast majority of our 25,643 homes is already complete, with only 533 at 31 March 2010 requiring work to be completed. We are waiting for the new Government's proposals on the standard for affordable housing post 2010 which will inform our reinvestment programme for future years. Going forward our programmes will also continue to ensure that our homes are upgraded to Decent Homes standards.

Since 2005 we have invested more than £59m to maintain the standard of our homes. We have upgraded some of our largest and oldest estates, including Liverpool Road in Islington, which celebrates its centenary in 2010; Ixworth Place (Chelsea); Dawson Heights (Dulwich); Durrington and Peacehaven, (Sussex) and Fieldgate Mansions, (Tower Hamlets). We have also completed improvement works on a number of individual homes.

Part of the programme's remit has been making homes more efficient, adapting layout to suit residents' needs better, changing heating systems to increase energy efficiency and reduce carbon emissions, as well as working to guidelines to meet Government Decent Homes standards. For example, in responding to residents' specific needs, we have installed wet rooms and walk in showers instead of baths for older residents at Worsley Court in Wroxall. This improvement reduces water usage and enables the residents to bathe unaided with dignity, increasing their independence.

This year we improved insulation in more than 600 homes and installed 821 enhanced energy efficient boilers and we plan to fit cavity wall and loft insulation in all homes across the Group. This will bring average energy bill savings of £120 per household per year, which equates to a reduction of 800kg of carbon dioxide (CO₂) for every home. We have also installed low energy lighting, dual flush toilets and combined heat and power systems in place of boilers in some homes to increase energy efficiency and reduce carbon emissions and cut both fuel and water bills. These benefits reduce the carbon footprint of residents and respond to Government calls for us all to help to prevent climate change.

The facts:

Since 2005 we've installed:

2,218
new bathrooms

3,518 boilers
and heating systems

2,969
sets of insulation

3,941 kitchens

432 roofs

2,311
windows and doors

2,461
wiring systems

Involve and improve

It is impossible to create strong communities without actively involving our residents in what we do. We have an increasing number of ways to consult residents to shape our service delivery, both at a corporate and operational level.

These include resident membership of the Board, a Customer Services Committee and Resident Service and Customer Involvement Panels – see below.

In addition, every year we hold resident conferences to discuss the wide ranging work the Group does across its communities and get resident feedback. In summer 2009, 150 residents attended conferences across the Group, looking at how we might work together to shape our services better to meet their needs.

In another example of resident involvement, we asked James Butcher Housing Association residents what they thought of their grounds maintenance service. We used that feedback to shape our approach in providing a new contractor service and residents will also play an important part in monitoring both the standards and the quality of the new arrangements.

How we involve residents in our work

We have resident membership of our Board and the Customer Services Committee.

Resident Service Panels - This year we are establishing Resident Service Panels in each of our regions to scrutinise and monitor local service delivery. A member of each of these panels will also serve on the Customer Services Committee.

Customer Involvement Panels - To ensure residents are involved in the long-term shaping and development of our services, we have set up five Customer Involvement Panels for our key services.

Resident Conferences - A resident conference is held each year. In 2009 more than 100 residents attended our London event.

Our Residents' Panel - Working closely with our Residents' Panel members we deliver a range of consultation and involvement work linked to our service review and improvement work. Each year we run over 50 service review events attended by Panel members and other residents.

Contract Reviewers - We have a team of resident Contract Reviewers who work with our staff and our contractors' representatives to monitor those contractor services.

Customer Service Monitors - The Group has a team of 30 resident Customer Service Monitors who help us assess the quality of our services from the customer's perspective.

Local Tenants and Residents Groups - The Group works with around 20 local residents' groups.

Local Customer Estate Inspectors - Around 100 residents work with us locally – setting, inspecting and monitoring estate standards.

Neighbourhood Project Teams and Local Youth Forums - Our Social and Economic Regeneration Department work with residents and young people on a range of community focused projects.

'What Matters to Residents' - Our customer survey work - a rolling programme of surveys across all of our key services.



Case study:

South Wight Housing Association's (SWHA) reputation as a provider of high quality and outcome focused support services to vulnerable people across the Isle of Wight has been acknowledged by the Department of Communities and Local Government's Supporting People programme. In August 2009, the organisation received a level A across each of its six services: Young People, Mental Health, Older People, Teenage Parents, Homeless People and Learning Disabilities. SWHA is the only provider on the Isle of Wight to obtain the highest level of achievement for such a diverse range of support services to vulnerable people.

An example of SWHA's innovative approach to service delivery is the production of an interactive and resident-led DVD which describes the type of support the organisation provides to people with learning disabilities.

The DVD features more than 50 residents, with some of them giving a tour of their home and talking in their own words about the services which SWHA provides.

Naomi Somerville, SWHA's Care and Support Services Manager, said: "The visual interpretation not only explains how we work with residents to give them the best possible support, but also demonstrates the level of resident participation we encourage."

Left: James Barnikel from Argyll Street in Ryde. This Learning Disability Registered Care Home and South Wight's Domiciliary Care Agency both received a 3 star excellent rating from the Care Quality Commission.

Satisfaction guaranteed

Our major STATUS survey of residents was carried out between November 2009 and February 2010 and results show an overall improvement across the Group. Tenant satisfaction with Group services has increased to 78 per cent from 72 per cent in 2006/07, and satisfaction with the repairs services, the key driver for satisfaction with the landlord, increased to 76 per cent from 68 per cent in 2006/07.

In addition, our 'What matters to Residents' programme delivers a rolling programme of surveys across all our key services, reaching more than 10,000 residents each year.

New service standards focusing on customer care across all areas of our work are now being applied Group-wide. We have created a service framework that reflects what really matters to our communities by consulting a range of residents. This included a residents' working group, conversations with leaseholders and sheltered housing residents, and focus groups, including ones specifically for our Turkish and Bengali residents.

We are now monitoring how well we are performing against the new standards, using 'mystery shoppers' to ensure we are delivering the agreed service levels.

What matters to residents' service surveys

53 per cent are happy with anti-social behaviour services.

95 per cent of residents are pleased with improvement work on our existing homes.

87 per cent of new residents are happy with the lettings process.

Customised service

Calls Direct enables our residents to call our appointed repairs contractors directly. Following a pilot in Kent, with MHS Commercial Services, the scheme is now up and running in London, as part of a new repairs contract with the Breyer Group, which will run the service for up to seven years. Southern Housing Group is providing

training, quality control and improvements to the contractors' service, integrating IT systems and ensuring that we avoid duplication and have ready access to up to date information. The direct contractor services already available on the Isle of Wight will also be integrated with the new systems.

A commitment to continuous improvement

In continuing to provide value for money for our residents, we moved our Customer Service Centre telephone number from 0845 to 0300. Calls for residents now cost the same as local landline numbers and any discounts or inclusive minutes residents have as part of their mobile phone package also apply.

The Group's Service Centre received an accreditation from the Customer Contact Association, the professional body for the call centre industry. To achieve the accreditation, as one of only 100 accredited UK businesses, assessors from the British Standards Institute spent two days in the Service Centre, listening to calls and interviewing managers and staff.

Following last year's short notice inspection from the Audit Commission, we worked hard to ensure we addressed concerns and maintained standards in other areas. We revised our procedures for income management, contracts, helping people through financial problems and improving our resident profiling. As a result of this work the inspection report was signed off in summer 2009.

Rent arrears for affordable rent properties have reduced by 0.7 per cent, which is a significant achievement in light of the current financial climate. Shared ownership arrears have remained stable and we have maintained a low eviction rate across all tenures. Over the coming year we will be looking to maximise income collection, as well as reducing the amount of rent lost on unoccupied properties.



Case study:

This year, the Group introduced the Calls Direct programme, to allow residents to have direct access to repairs contractors and arrange an appointment to suit them. In London the programme is run by the Breyer Group.

Resident Ray Francis from Stoke Newington called on the service and was very pleased with the results.

“I recently had the need to use the Calls Direct service when the humidity fan in the upstairs bathroom fell from the ceiling, just missing me. Breyer responded within a single day and next morning a very efficient electrician attended my home and not only fixed the problem but did so inside 15 minutes and thoroughly cleaned up after himself. I received an excellent service which far exceeded the previous service I had experienced.”

Group Maintenance Director, Kevan Allaway, said: “This year, we supported Breyer Group in their growth of B-Line, a Rapid Response Repairs and Maintenance Service for our customers. Repair requests now go straight to Breyer, making our repair services even quicker. It's this kind of innovative partnership working that makes our companies a great team, and enables the Group to continue to provide the best service we can for our residents.”



Main image: Contractors Kevin Turner (left) and Ben Cootes (in van).

Left: Resident Ray Francis discusses his repair with plumber Ben Cootes.

Focused on the future

Our social and economic regeneration work is integral to our approach to building and managing homes and neighbourhoods. Our Social & Economic Regeneration department's priorities are focused on: building sustainable neighbourhoods; providing employment and training; tackling financial inclusion; developing young people, improving the external environment and maximising opportunities for residents from the London 2012 Olympic Games.

Ways into work

Worklessness is a major issue for our residents and we are delivering programmes across the Group to help people get back to work. A dedicated staff member focuses specifically on employment and training, encouraging apprenticeships and working with residents.

The year-long Ways into Work pilot project in Hackney saw an Employment Outreach Worker liaising with more than 170 residents on a one-to-one basis, developing their employment and training prospects. The Group is working with Hackney Council to extend the scheme across the whole of the borough and we are keen to repeat this model Group-wide.

Working in partnership with five other registered providers, we have funded an Employability Mentor in Islington tailoring services to individuals to help them get back into the jobs market.

There are often hurdles preventing our unemployed residents from finding a job, from childcare issues to a

lack of IT access. In February 2010, the Group introduced the Working Opportunities Fund, offering grants of up to £500 to help residents find employment. This money can be used for tools, childcare or to buy clothes for interviews. Several residents have already benefited and there are a dozen applicants in the new financial year.

The Group has also joined a nationwide consortium of housing providers bidding for funding through the Department for Work and Pensions Future Jobs Fund initiative. The scheme created new jobs for 18 to 24 year olds who have been out of work for at least a year, and we have been able to employ four of them in our Social & Economic Regeneration department, working in Employment Outreach, Youth Projects and Activate London Health and Wellbeing. In addition, following a successful placement, we have employed a young man at an extra care scheme on the Isle of Wight.

Creating opportunities

The Group is also committed to helping residents disadvantaged in the jobs market because they do not have the skills, knowledge or equipment to enable them to access the internet. As many jobs are advertised on-line and require online applications, residents may miss out simply because they do not have a computer. The Group is beginning to address this issue, through schemes such as the Hub on the Stamford Hill Estate in Hackney – see case study.



Case study:

Acting on feedback from residents, Southern Housing Group has created the Hub, a new employment and training centre in Hackney, offering support and guidance to residents looking to improve their work and life skills.

The Hub was launched in May 2010 with a drop-in-day to give residents the chance to find out more about the centre, take part in workshops, meet the team, and find out about other services that the Group provides for residents.

Resident, Haroon Khan, said: "My son and I really enjoyed the event. I think the Hub is going to be really beneficial to the estate. I look after my two year-old son for most of the day so searching for work can be difficult. Now I can pop in to the Hub to search for jobs, take Izaan to the park and come back again later in the day – it's ideal."



Above: Hub staff member Aryam Isak with resident Elizabeth Adedeji
Left: Haroon Khan and son Izaan Khan, 2



“This was a truly unique opportunity for emerging talent to freely engage with an iconic site and to create and showcase new work. We hope that this project will open the door for new possibilities and approaches in regeneration practice, and serve not just the artists, but also the residents and the local communities in and around North London.”

Gadi Sprukt, TallTales director and project co-curator.

Southern Housing Group is currently redeveloping the site of the former Market Estate in Islington, a project which amounts to a £50m investment in demolishing the tired 1960s estate to make way for new homes. The redevelopment project was led by the Market Estate Tenants and Residents Association, which, with Islington Council, chose Southern Housing Group as their preferred developer.

The last remaining residents moved out of the estate in February this year and to date two phases of rebuilding are complete, with the remaining 187 properties set for completion in 2012. The completed redevelopment project, known as Parkside Place, will provide 421 new homes, which will be a mix of affordable homes and homes for sale. It also includes improvements to the adjacent Caledonian Park, with new children's play facilities, new gardens and a promenade entrance.

From Market Estate to Parkside Place

“Market Estate was a great place to live when my husband and I moved here in the 1970s, but it really deteriorated over time. My new home has a proper outlook onto the street so I’m always chatting to my neighbours. There’s more of a community feel to the layout and I’m going to have a great view out onto the park. Parkside Place is a fresh start for everybody.”

Maggie Veal, Market Estate Council tenant who was rehoused in Parkside Place



“Residents wanted to go back to traditional street patterns with housing having front and back gardens. They requested large apartments with wide balconies and these were the principal requirements that our architects provided in the master plan. The master plan also makes the most of the neighbouring Caledonian Park which brings benefits to the wider community.”

Stephen Ross, Southern Housing Group’s Reinvestment Director

Art event

To most people, the old Market Estate was past its sell-by date. But to a group of artists, it was a masterpiece in the making.

Southern Housing Group teamed up with arts regeneration practice, TallTales, to turn the last remaining block of the 1960s estate into a giant work of art before it was demolished to make way for the new development. A hand-picked group of 75 artists turned the stairwells and communal

spaces at the flats into canvases for their artwork, tying in the history of the site with decades of residents’ memories. The art event attracted more than 2,500 visitors, including renowned artist Antony Gormley.

Exhibits ranged from Jess Blandford and Joe Morris’s *Fluorescent Yellow Room* to Mark Calderbank’s *I Remember – CoveredBy* in dedication to late resident Jim Veal, and Guila Sala and Stephanie Brandt’s audio tour, *Naked Voices*, guiding visitors through 40 years of residents’ memories.

The future of communities

Young people are pivotal to the future of our communities so it is vital that we involve them in decisions that will affect their lives. The Group uses youth panels as a way to engage with younger residents and to help them play an active role in what is happening in their neighbourhoods. The Northbourne Action Group initiative in Godalming has been using a youth panel called the Northbourne Action Youth Group to help work towards the creation of a community garden, a shared use games area, a fitness trail and a youth shelter. The panel was also instrumental in the development of, and helped to raise all the funding for, a £58,000 play park on the estate last year.

Southern Housing Group is also supporting a family intervention project, which is already up and running in Tower Hamlets and Greenwich, and which is jointly funded by the Government's Challenge fund and

Southern Housing Group. The aim of the project is to work with the whole family to explore the causes of anti-social behaviour, getting to the heart of the issue in a bid to prevent evictions and help keep families and communities together, when it is in everyone's interests to do so. The scheme is headed up by a family intervention worker, who works closely with families to work through solutions.

Unfortunately there are times when anti-social behaviour continues despite all efforts to prevent it. For the benefit of our communities, we have increased the use of injunctions in these cases and have invested in mobile CCTV units which have been a vital tool for gathering evidence in cases where anti-social behaviour is difficult to witness, or where residents are reluctant to come forward for fear of reprisals.



Brighton resident Bob Watts is responsible for the gardens at Coastal Counties House



The Northbourne Action Youth Group



Case study:

Southern Housing Group has been working with residents at our Cyprus Street scheme in Bethnal Green to create a play area where parents and children can enjoy playing together.

Residents worked with Play Association Tower Hamlets (PATH) to design the park, which features grass, shrubs, stepping stones and painted markers to encourage creative play.

The London Borough of Tower Hamlets invested £32,500 in the three-year scheme, with Southern Housing Group contributing another £10,000.

Cyprus Area Project Panel member Karen Pannell said: "We are delighted with the new play space at Cyprus Street - the children are very happy and are enjoying the logs, boulders and hills to play on. With the proactive help and support from Southern Housing Group and PATH, we look forward to seeing the planting mature through the seasons."



Building communities

Southern Housing Group has been involved in the regeneration of estates over the last year and we continue to strive towards improving living conditions for all of our residents. The rolling improvements programme ranges from modernising facilities to demolishing entire estates and replacing the accommodation they provide with completely new homes.

In addition we work in partnership with developers and local authorities to provide affordable housing in new communities. One such project is the regeneration of the Kidbrooke Estate in Greenwich. The Group is working in partnership with the HCA, Greenwich Council and Berkeley Homes to demolish the existing 1970s Ferrier Estate and replace it with more than 4,000 mixed tenure new homes over the next 15 to 20 years. All former tenants will be offered the chance to be rehoused within the new development.

There will be 229 affordable homes in the first phase of the development and the first four show homes were completed in March 2010. The £1 billion regeneration, which will provide local jobs for local people, will eventually incorporate shops, community and leisure facilities and a school and will be one of the largest residential redevelopments in the UK outside the site of the athletes' village.

Going green

Updating existing properties can also enable us to improve their environmental credentials, in keeping with our sustainability policy and help residents to save energy and reduce their bills. We also hold consultation days for residents on environmental sustainability and provide information on energy and water saving tips.

For example, South Wight Housing Association is working in partnership with the Ellen MacArthur Foundation on a pilot project to retrofit 67 homes in Spanners Close in Chale Green on the Isle of Wight with air source heat pumps and solar photovoltaic (PV) panels.

The project will establish fuel cost savings and carbon reductions that can be made. The pumps and a new water-filled radiator system will replace costly night storage heaters and solar PV panels help to reduce electricity costs. Residents will have the chance to join a three-month renewable energy training programme to learn plumbing, electrical skills and work with heating, engineering and cylinder installations.



Left and above: Caretakers Olmes Villegas (left) and Tyrone Willis (right)



Kidbrooke Estate, Greenwich

Funding our future

Over the last year, the housing market has changed markedly and 100 per cent mortgages have largely become a thing of the past. First-time buyers are finding it increasingly difficult to get a foot on the property ladder, meaning affordable housing is in higher demand than ever before.

With liquidity problems facing banks, 2009/2010 was a challenging year for Southern Housing Group, prompting us to look at alternative solutions for long-term financial results. We joined forces with four other housing associations in a bond issued by The Housing Finance Corporation that will provide a 30-year loan of £100m at an affordable rate. The move effectively brought our interest rate down from 7.25 per cent to 6.35 per cent, saving us £900,000 a year or £11.75m over the term of the loan.

Flexible solutions

With a shortage of affordable mortgages for first-time buyers, the Group has seen less demand for shared ownership and we had to rethink our strategies to suit our customers. We introduced Homeflex, which offers shared ownership or intermediate market rent. Intermediate market rent allows people earning less than £60,000 a year to rent new build homes at a reduced rate - typically 80 per cent of private rental value.

The money saved compared to renting at market rates can then be used as a deposit on buying a house under the Group's shared ownership scheme. In 2009/2010 we let a total of 370 intermediate rent properties.

Southern Space, our outright sales development company, has also been working with borrowers to offer the Helping Hand scheme, which allows buyers to defer payment on part of the property – anything from 10 to 25 per cent for 10 years - buying shares of the property back when they can afford it. The scheme has been operating in Hackney, Crawley and the Isle of Wight, with the Group taking on a share of the mortgage.

Emergency measures

In tough times, getting on to the property ladder is not any guarantee of staying there. Many home owners find themselves struggling to pay the mortgage as the financial pressures of owning a home become too great. We have committed to supporting the Government's Mortgage Rescue initiative in Hackney, Islington and Greenwich. Residents across all parts of the Group also have the option of 'reverse staircasing', where Southern Housing Group buys back a share of their property until they can afford to buy it back.



Case study:

Young couple Tomas and Ruta Demcenko were thrilled with the service they received when applying for an intermediate rent flat at Meridian Close in Ramsgate.

The Demcenkos were looking forward to moving into their new flat, but while they were away on holiday, and just as the property was ready for handover, it was affected by a leak, meaning they were unable to move in.

"I had given notice on my rented flat so I would have had nowhere to live," said Tomas. "Luckily, Southern Housing Group were brilliant and simply moved us into the flat next door.

"It's almost exactly the same, just the opposite way round and we're more than happy with the swap. The staff were really great and sorted everything out for us. So what could have caused real problems didn't affect us at all. And we love our new home."

Investing in employees

Our employees are vital to our success as a business and a key objective is to develop their skills and maximise their contribution to the Group for the benefit of residents.

Our learning and development programme enables employees to learn continuously, by supporting their needs, abilities and aspirations in a way that will support organisational needs and objectives and enable them to satisfy our customers and other stakeholders. In 2009/10 our 900 staff received an average of 4.5 training days.

Staff have the opportunity to participate in lunch-time sessions to learn more about other parts of the Group and last year subjects covered social and economic regeneration issues such as employment and training, working with young people and creating safe, stronger neighbourhoods, as well as discussions on how to give better value for money to our residents.

The Group also takes the views of its staff into account and feedback from the annual staff surveys is used to inform its approach. As a result of the survey, we have explored the link between staff engagement levels and key performance indicators such as resident satisfaction, looked at how we share best practice within teams and reviewed and extended our employee benefits.

This year, we piloted our internship programme to attract new talent to the Group and we have employed six interns to date – two as Resident Service Co-ordinators in the Thames Gateway and London regions, one as a Project Co-ordinator in Sheltered Housing, one in Human Resources, one in Regional Lettings and Rehousing Support and one who has been assisting with the Service Charge Project. We hope to link these interns into our three-year graduate programmes to enable them to continue their development and reach their full potential.

We are also introducing customised apprenticeships in Housing Management and Facilities Management to encourage individuals to work on improving their skills and career prospects. By focusing training in specific fields we are creating professionals who are true experts in their fields, providing the best possible service to the business and our residents.

Shaping our future

Over the last year, the organisation has been reviewing the governance structure of Southern Housing Group to ensure we are able to deliver the highest levels of service to our residents. One significant step being taken to achieve this is the decision taken to amalgamate the Group's corporate structure by forming one main housing association, rather than have three separate associations: Southern Housing Group Limited, James Butcher Housing Association and South Wight Housing Association. The amalgamation will create a new legal entity called Southern Housing Group Limited. This will simplify governance and operational arrangements and reduce costs by creating efficiencies across the organisation.

The change will also allow the Group to extend the provision of some specialist services to all residents for the first time, particularly in the area of social and economic regeneration. Residents and staff were consulted and the result was overwhelmingly in favour of amalgamation. The proposal for amalgamation was then taken to the relevant Boards and members voted in favour, as did the shareholders of each company. Consent was received from the Tenant Services Authority in August 2010 and the amalgamation will take effect from 1 October 2010.



Case study:

This year, the Income Recovery Team at the Group's Customer Service Centre has made a saving of £21,300 on court application fees by using the online application method for new possession cases.

"The old method of filling in forms, passing them to solicitors and waiting for a court date was lengthy and expensive," says customer service advisor Julia Tully, who was instrumental in the changeover.

"And there were a lot of simple cases where we could do it ourselves. We started off downloading the forms and filling them in, then Possession Claim Online became available. Now we enter the details online, pay and get a date back straightaway – normally in about 20 minutes.

"So not only are we saving money on solicitors' fees, we're saving time that we can use on other things. As the system is so much easier all customer service advisors are now making court applications, which have increased their knowledge of the legal process."



Above: Julia Tully
left: Jo Tidd and other members
of the Income Recovery Team

A culture of inclusion

Our residents come from a diverse range of backgrounds and our services are designed to cater to their needs and beliefs. It is important that our staff understand residents' cultural and religious needs in order to provide the best service. That is why we are also supporting our staff, through training and sharing good practice.

We now have an Equality and Diversity Strategy Board, overseeing the progress of our equality and diversity strategy and checking that we do all we can to understand how we can make a positive impact for the diverse range of residents and communities served by the Group. We are also seeking to ensure the completion of Equality Impact Assessments for areas that are of strategic and operational importance. These help to shape our policies and practices, ensuring that staff and residents are treated fairly.

We have produced a quick reference guide to different religions and cultures, called *If In Doubt, Ask!*, to help staff and key contractors understand cultural issues and significant holy days which may affect the way we work. The guide has been compiled based on research into Group data and was tested by staff to ensure it covers all the relevant information. The guide covers Buddhist, Christian, Hindu, Jewish, Muslim and Sikh faiths and cultures.

The Group is highlighting the issues that matter to our disabled residents through the Disability Forum, which has been running for nearly two years and gives

valuable insight into issues affecting disabled residents. The Forum monitors progress on the Disability Equality Action Plan, as well as contributing to other policy and service areas for the Group. Around 30 disabled residents take part, giving their views in a range of ways and we are now producing Easy-Read versions of key resident publications to ensure important information is delivered in a way that suits everyone.

A greener future

We take environmental sustainability seriously and look to ourselves to make improvements as well as making our homes as sustainable as possible. Last year, Southern Housing Group signed up to the Government's Halving Waste to Landfill by introducing recycling at our head office, Fleet House, where we also improved our bicycle facilities to encourage staff to cycle to work.

Last year also saw the first ever Green Audit of Southern Housing Group. The external survey by Sustainable Homes Index for Tomorrow (SHIFT) showed us where we can build on successes and gave us recommendations for further improvements. Our efforts across the year led to us being awarded highly commended status by Islington Climate Change Partnership for reducing our CO₂ emissions at our head office by 15 per cent in 2009 compared with 2008. We remain committed to reducing our CO₂ emissions further in the years to come.



Case study:

Southern Housing Group supported 32-year-old Roanna Simmons, a world-class footballer who is profoundly deaf, to help her reach the 2009 Deaflympics in Taipei.

Roanna and the England team won a bronze in the games, and her achievement is even more incredible after a serious knee operation put her out of action for nine months in the run up to the games.

The operation could have shattered Roanna's dream of playing in Taipei but her dedication and the backing of Southern Housing Group in the form of a sports grant meant the talented athlete was able to achieve her goals.

"I applied for the sports grant and met five members of staff which was quite nerve-wracking but they had a very happy and easy-going attitude," said Roanna. "I showed them around the University of Brighton where I studied Sport Coaching and Development.

"I used the facilities at the university to reach peak condition before the Deaflympics. Southern Housing Group gave me strength after my reconstruction knee operation, because they believed in my ability.

"With this kind of support, I was able to focus on my rehabilitation and training towards the Deaflympics in 2009. They gave me my dream to play in Taipei and I am forever in their debt."

Roanna Simmons

Facts & figures

Southern Housing Group (including SWHA and JBHA)

As at 31 March 2010

New homes completed	789
Development programme of 3,300 homes costing	£580m
Total lettings in the year (excluding market and intermediate rent)	1,852
Annual programme of routine maintenance (including empty properties)	£16.4m
Annual programme of planned maintenance	£7.4m
Major repairs expenditure on Group properties	£15.4m
Day to day repairs - emergencies completed on time	94.2%
Average time to re-let empty homes	41 days
% units void	2.3%
Gas servicing: percentage of properties where service overdue	0.8%
% non-Decent Homes	3.4%
Surplus for the year (after depreciation, investments in major repairs etc):	£8.2m
Turnover (Financial)	£133.7m

Sales activity

Shared ownership sales	153
Shared ownership sales to Black & Minority Ethnic households	15%
Shared ownership sales to key workers	10%

Social & Economic Regeneration

Funding contributed by Southern Housing Group	£846,678
Small grants	£92,272
Large grants	£754,406

Sir Ashley Bramall Memorial Fund

34 residents benefited from this fund to a total of £15,278

The information above relates to expenditure in the financial year on all currently approved projects. Large grants are usually awarded for a 3-year period. Where this applies, only one year of funding has been included.

Stock managed as at 31 March 2010

Homes for rent	20,314
Shared ownership	3,051
Other (including market rent etc)	2,278
Total	25,643

Summary of accounts

Assets and liabilities

	2010	2009
	£m	£m
What we own		
Cost of investment in our homes	1,496	1,427
Investment in other assets	155	51
Cash plus amounts we are owed, less bills to be paid	12	28
	<u>1,663</u>	<u>1,506</u>
How it is funded		
Social Housing Grant	727	684
Loans from our funders	688	583
Reserves	248	239
	<u>1,663</u>	<u>1,506</u>

Income and expenditure

	2010	2009
	£m	£m
Income	133.7	128.1
Less:		
service costs	(15.8)	(14.7)
repair costs	(26.0)	(25.0)
housing properties depreciation	(8.8)	(7.4)
administration and other costs	(52.1)	(53.7)
	<u>(102.7)</u>	<u>(100.8)</u>
Operating surplus	<u>31.0</u>	<u>27.3</u>
Surplus on sale of properties	1.4	3.7
Interest paid less received	<u>(24.2)</u>	<u>(22.2)</u>
Leaving a surplus for the year of	<u>8.2</u>	<u>8.8</u>

A copy of the full accounts and financial statements are available from our website, visit www.shgroup.org.uk

Southern Housing Group Board members

As at 31 March 2010



**Andrew
McIntyre**

Group Chairman and member of Treasury Committee and an ex officio member of the Remuneration and Nominations Committee. Andrew is a chartered accountant. He has been a partner at Ernst & Young for more than 20 years, where he leads the firm's Assurance practice for Financial Services in the UK. He also acts for various clients in the UK and abroad.



**Peter
Goodacre**

Chair of James Butcher Housing Association and a Member of the Remuneration and Nominations Committee. President of the Royal Institution of Chartered Surveyors 2008/09. Former Principal (Chief Executive) and Trustee of the College of Estate Management. Has several current external positions and serves on numerous working parties and committees involved with his profession. He is also actively involved in community work.



**Tom
Dacey**

Appointed Group Chief Executive in 1995, after 25 years working in the housing sector in the north of England. Board Member of Southern Space Limited. He is a Fellow of the Chartered Institute of Housing and a member of the Institute of Management. He was Chair of G15 between June 2007 and June 2009.



**Malcolm
Groves**

Chair of South Wight Housing Association Board and a member of the Audit Committee. He is an experienced professional in internal and external communications for the banking industry. He is also a member of the Management Committee of Island Cottages Ltd and Chairman of Chale Parish Council.



**Tony
Bourne**

Chair of Remuneration and Nominations Committee and a member of the Treasury Committee. Chief Executive of the British Medical Association. Prior to that he was in investment banking for over 25 years, most recently as a Director of Hawkpoint, an independent corporate finance advisory firm.



**Chris
Hampson**

Chair of the Customer Services Committee and a member of the Remuneration and Nominations Committee. Director of Strategy and Operations at Look Ahead Housing and Care. More than 13 years' experience in housing and social care, including work in policy for the National Housing Federation and for two housing associations working in policy, research, new business and PR.



**John
Castelberg**

Chair of Southern Space Limited and Southern Home Ownership Limited. He has worked in social housing for local authorities and housing associations for over 25 years. He is currently Chief Executive of Kingston Churches Housing Association and was chair of The Women's Housing Trust for 10 years until its merger with the Group, when he joined the main Board.



**Jim
Hitch**

Member of the Customer Services Committee, Remuneration and Nominations Committee and a Member of the Boards of Southern Space Limited and Southern Home Ownership Limited. He spent two years helping to create the award-winning Manda Wilderness eco-tourist project in Mozambique before returning to London to resume English language training. He set up English Language Services Limited after 10 years in the sector.



Jane Hives

Chair of the Audit Committee, Board member of Southern Space Limited, Southern Home Ownership Limited and a member of the Development and Treasury Committees. She is an independent consultant, having been a partner in Ernst & Young for 13 years until 2002. She brings valuable experience gained working with a number of property companies, the not-for-profit sector and several law firms.



David Kelly

Member of the Customer Services Committee. He is an elected member of METRA (Market Estate Tenants and Residents Association) and was Secretary of METRA during the stock transfer consultations. David works for Crisis, the national charity for single homeless people.



Lara Oyedele

Co-opted to the Board 28 September 2009. Member of Development Committee. Chief Executive of Odu-Dua Housing Association. She has over 20 years' experience in social housing and is a member of the Chartered Institute of Housing. She is Chair of BME National which promotes the work of BME housing associations and is a member of the Tenant Services Authority's Equality and Diversity Advisory Board.



Preth Rao

Co-opted to the Board 6 July 2009. Member of Customer Services Committee. Head of Policy and Research at the Local Government Ombudsman. Worked at the Equality and Human Rights Commission and Commission for Racial Equality. Was a member of Tenant Services Authority Equality and Diversity Board. In 2008 she completed an MSc in Social Policy and Planning from the London School of Economics. Has also worked in local government in two London boroughs.

John Argent (Retired 6 July 2009)
Neville Hudson (Retired 6 July 2009)

Other Group Boards and Committees

- Southern Home Ownership Board
- Southern Space Board
- South Wight Housing Association Board
- James Butcher Housing Association Board
- Audit Committee
- Customer Services Committee
- Development Committee
- Market Estate Committee
- Remuneration and Nominations Committee
- Treasury Committee

Group Strategy Team

- Tom Dacey, Group Chief Executive
- Alene Wilton, Corporate Services Director
- Barry Nethercott, Finance Director
- Dale Meredith, Development Director
- Paul Smith, Operations Director
- Caroline Tiller, Executive Director, James Butcher Housing Association
- Margaret Wright, Executive Director, South Wight Housing Association

Contact us

Southern Housing Group, Fleet House,
59 - 61 Clerkenwell Road, London EC1M 5LA
Telephone **08456 120 021** Fax **020 7553 6400**
email info@shgroup.org.uk web www.shgroup.org.uk



Southern Housing Group is a charitable housing association.