



Northern Ireland Federation of Housing Associations

Annual Report 2004 - 2005

www.nifha.org

CHAIRPERSON'S FOREWORD



It is with great pleasure and a little sadness that I present the Federation's Annual Report for the year 2004 - 2005. This marks the conclusion of my two year tenure as Chairman and will draw to a close a most interesting part of my life. Before I mention some highlights of my chairmanship, I would first like to convey my overwhelming admiration for the volunteers who serve on the Boards of associations and the staff who advise them and undertake the housing operations.

You have proved time and time again that the sector is more than capable of not only providing high quality housing solutions but also meeting the Department for Social Development's (DSD) new build targets, implementing housing policy and developing key business partnerships. I have no doubt that this work will only go from strength to strength in the coming years. I consider myself fortunate to have been involved with the Federation at a time when so much was happening in the housing sector.

During my period in the Chair some of the most notable events have been the

introduction of the Housing (NI) Order 2003, the Supporting People framework, the House Sales Scheme and Introductory Tenancies. I twice met the Minister for Social Development, John Spellar, and recently I have also welcomed the opportunity to work with Brian Rowntree, the new Chairman of the Northern Ireland Housing Executive (NIHE) to lay the foundations for what I hope will be an even more fruitful working arrangement between Housing Associations, the Federation and the NIHE.

On a more sombre note I would like to pay special tribute to the Reverend James McAllister who died early this year. Reverend McAllister was a founding member of Connswater Housing Association and played a prominent role in the Federation's Council since 1997. His contributions to our voluntary housing movement will be sorely missed and on behalf of all housing associations I would like to express my deepest sympathies to his wife and family.

On the less formal side, being NIFHA Chairman allowed me to meet a host of

housing professionals from across the UK and Europe. On such occasions I have attempted to actively promote the work of both the Federation and that of housing associations. This, however, is a two way process and I believe that I have learned a lot about the way in which our colleagues approach many of the issues that Housing Associations face in Northern Ireland.

One regular highlight is the Federation's Annual Conference and in 2004 it was held in Liverpool, which was something of a contrast to Brussels the previous year! Councillor Flo Clucas and a number of her senior housing officials provided an insight into the City's strategic approach to housing issues. As always, the work during the day was balanced by the networking and social events during the evening. The sight of association staff in 1960's fancy dress certainly gave me a different perspective on colleagues!

My duties as Chairman have also given me an in-depth appreciation of the Federation's work on behalf of its members and, to my mind, NIFHA is moving in the right direction. However, NIFHA will only be as

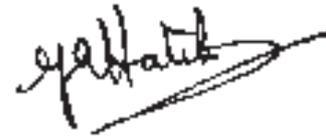
strong as its membership allows, so, as I hand over the role of Chairperson I would urge all housing associations to become more involved with your Federation and be part of the driving force that actively assists the sector to become more dynamic, more professional and more business orientated.

As my time as Chairman draws to a close, I'd like to conclude by stating my firm belief that the voluntary housing sector has grown in stature over the years and I am confident that the Federation and its members will continue to make a substantial contribution to all areas of social housing.

Finally may I take this opportunity to thank my fellow Council Members and the staff at NIFHA, with special thanks going to Mr Graham Murton. Graham was an integral part of the Federation's team and helped me on many an occasion. I would like to wish him every success in his new role as Director of Housing and Support Services at Oaklee HA.

Undoubtedly, the help of the staff at the Federation has been invaluable and without

question one of the contributing factors in making my time as Chairman highly successful and most enjoyable - Thank you.



Arnold Hatch,
Chairman, NIFHA

INTRODUCTION

Once again the Federation and its members have experienced a very busy year, with challenging targets to meet, policy changes to address and numerous initiatives to be put into practice. As always our ability to work collectively both within the movement, with colleagues in the social housing field and with stakeholder organisations has helped us to achieve these aims. In many ways, 'partnership in practice' was something of a theme during the year.

PARTNERSHIP WITH OUR MEMBERS

Policy into Practice - Equality

A major 'challenging target' arrived at the start of the new financial year when all the registered housing associations received letters from the Equality Commission requesting each to submit an Equality Scheme by 8 October 2004. Since NIFHA had been preparing for this initiative for quite some time our members had already decided that joint working would be the most effective way of dealing with this

important task. Assisted by a sub-group of NIFHA Council (the Equality Steering Group) the Service Improvement Officer co-ordinated this major project on behalf of the membership.

As part of this process we supported our members in a range of ways such as producing work plans, drafts, templates, member briefings, suggestions, helpful hints, information sheets and, of course, through regular liaison with the Commission's Statutory Duty Team. In addition the Federation:

- held 3 open meetings about the Equality process (for associations)
- arranged the public consultation events and co-ordinated 3 individual consultation sessions at the Coalition on Sexual Orientation
- issued the media releases about the joint consultation process
- issued 178 disks containing the draft schemes of 37 associations
- helped two small associations with their applications for exemption
- organised 5 equality-related seminars with delegates from 33 associations



- facilitated policy screening workshops in which over 60 staff or Board members participated
- circulated 12 'E' Cards as prompts for action

This collaborative action proved successful as all 37 associations achieved the six-month deadline for submission. Moreover, at a joint meeting in February 2005 staff from the Statutory Duty Team commented favourably on our approach, deeming it to have been very effective. At the year-end the associations were actively addressing the next stages of the process as they awaited final approvals from the Commission.

Policy into Practice - Introductory Tenancies

A great deal of earlier time and effort had also gone into preparation for the implementation of Introductory Tenancies during 2003-04. NIFHA had worked with the Department for Social Development (DSD) and member associations to facilitate a common approach. Therefore, associations were in a position to operate



this new policy by July of 2004. The impact of these new powers has been watched with interest across the movement.

Policy into Practice - House Sales

As required by the Housing (NI) Order 2003, in May 2004 the DSD issued its proposals for amending the existing voluntary sales policy which many associations already operated and making it mandatory for all registered housing associations and the Housing Executive.

After consulting widely with our members, NIFHA sent detailed comments and a comprehensive equality screening document to the Department. When the statutory house sales scheme came into effect in October 2004 we pressed the Department for guidance notes and arranged training to help members operate the scheme correctly.

Policy into Practice - Decent Homes



In summer 2004 the Minister for Social Development, John Spellar, decided to introduce the Decent Homes standard to

Northern Ireland, and that all social housing should meet the standard by 2010. The standard requires homes to:

- be in a reasonable state of repair
- have reasonably modern facilities and services e.g. kitchen or bathroom
- offer a reasonable degree of thermal comfort

Although the House Condition Survey of 2001 estimated that 93% of housing association homes currently meet these standards, we were not complacent about the magnitude of the remaining task. As the DSD has offered no additional resources for this work, the Federation has called for the Department to amend unduly restrictive accounting rules to help associations finance the necessary improvements.

Training

Since equality was such a high priority during the year NIFHA's Service Improvement Officer undertook 20 in-house awareness-raising sessions with both Board members and staff of associations, as well as developing an Equality Awareness



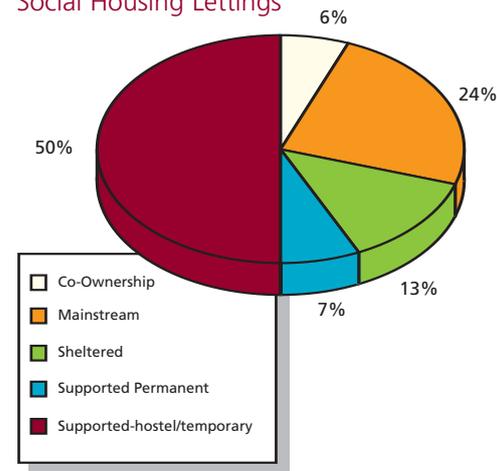
presentation that could be used by our members as part of their internal training programmes. We also covered other important topics like managing the House Sales process and implementing the new Disciplinary Procedures. As an additional service the Research Officer held in-house training on NICORE for three housing associations.

Research

The research that NIFHA undertakes each year is another strand of our support for members. The NICORE database which was set up to continuously record data about

new tenants in relation to the size and rent level of their new homes provides an essential source of information about and for NIFHA members. The quantity of information submitted by housing associations has grown significantly in recent years with over 5,250 logs for mainstream, sheltered and supported housing being entered and analysed by the Federation during 2004-05. This information enabled NIFHA to meet the

Social Housing Lettings

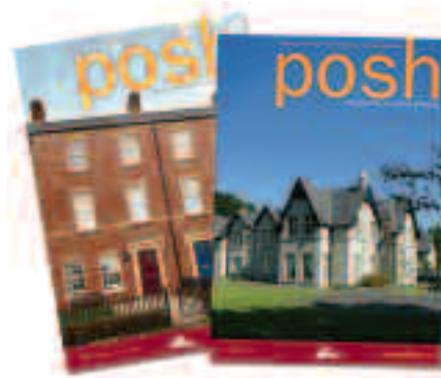


needs of individual housing associations by producing 15 yearly or quarterly NICORE reports and 5 other ad hoc analyses.

The NICORE time-series data is an important tool, highlighting trends in the socio-economic characteristics of new tenants, property sizes and rent levels and we thank all of the associations for taking the time and making the effort to complete the forms that provide these valuable statistics.

Other research undertaken on behalf of the membership included a Conference Feedback Questionnaire, a Legal Services Census, and an annual benchmarking exercise to compare association performance across the range of housing services. Moreover, we gathered statistics to inform discussions, for instance at meetings with District Councils, in response to a range of requests e.g. from Shelter (NI), EHSSB, the Rate Collection Agency, CIH and in reply to questions raised by MLAs or MPs. All of these exercises usefully supported and promoted housing associations and the Federation.

Communications and Public Relations



During the last year NIFHA's Communication and Media Department worked tirelessly to build on the success enjoyed in the previous year. 2004-2005 proved to be extremely proactive and rewarding in terms of media coverage, with several members receiving thought-provoking press. Many housing associations took advantage of the in-house media and PR service operated by the Federation. NIFHA's support helped

positive stories about members to obtain the coverage they deserved or enabled difficult situations to be managed in a way that minimised negative representation.

As a result of this exposure the depth and quality of association work was acknowledged in the public arena, reflecting the relationships that NIFHA has developed and maintained with key journalists. The Federation also revamped its stakeholder publication. The original magazine is now produced under the title of 'Posh' (Perspective on Social Housing). Posh, is a professionally designed, full colour publication aimed at promoting the work of the voluntary housing sector to a wider audience.

Preparation was also started for the re-launch of the Federation's website. NIFHA acknowledges the importance of having a client-driven website that actively encourages communication with its members and key stakeholders. When completed we are confident that the new site will provide the level of information now required by key client groups.

PARTNERSHIP WITH COLLEAGUES IN SOCIAL HOUSING

Housing Provision

During 2004-05 Northern Ireland's housing associations helped alleviate housing stress by letting 8,000 tenancies in either existing properties or in new stock. This figure contributed significantly to meeting the overall target in Priorities for Government and demonstrates that associations are not only effective providers of social housing but also businesses whose work addresses key political issues.

Development of new build houses is another operational area where housing associations very clearly work in partnership, since the Northern Ireland Housing Executive has responsibility for establishing need, the Department for Social Development draws up the programme and sets the annual targets, while our members undertake the actual building projects. The DSD had set Housing Associations a target of having 1,315 starts on site in 2004-05 and the Federation is pleased to confirm that the official figure achieved was 1,317.



American visit featured in Belfast Telegraph

Much of the Federation's work on communications and public relations has arisen from collaboration with our members. We recognise that our effectiveness is largely dependant on housing associations communicating their successes, good news stories, problems, and concerns - it's a two-way process! Therefore, we are grateful to our members for their contributions in the last year and look forward to continuing this productive relationship.



"Co-ownership helped us afford a home"

A noteworthy feature of this year's performance was the massive £43.9 million of private investment with which associations supplemented the taxpayers' contribution. In effect this is equivalent to the full cost of 490 family homes. At a time when so many public services are under intense budgetary pressure, this remarkable achievement by housing associations must surely be music to the ears of both policymakers and the public!

NIFHA is equally pleased to report that the performance of another member

ISSUE	OUTCOME
Passporting Associations for financial accreditation	The Minister expressed support for passporting when NIFHA met him in February 2005
Clarification of policy on service reviews of Sheltered Housing Schemes	The SP Team agreed to convene a sub-group to address this issue
Resolution of revenue funding for registered care homes	The Federation maintained pressure on the Department to resolve the funding issue with the DHSS&PS
Implementation of steady state contracts	A new funding agreement was being finalised at the end of the year
Communications / greater involvement and consultation with the sector	NIFHA regularly highlighted concerns on this issue, stressing the damage to confidence in the supporting people process
Commissioning of SP services	NIFHA continued to press for a seat on the Commissioning Body and the Area SP Partnerships
Level of budget uplift	The Federation highlighted the fact that, in real terms, funding has been reduced

association surpassed the DSD's set target. Co-Ownership Housing, the regional body for shared ownership, made a significant

difference in the lives of 502 households by assisting them into the property market during the year 2004-05.

Support Services



In what was the second year of the new Supporting People framework there was no let-up in the volume of work and pace of change associated with this initiative. Once again the Federation worked hard to support members with all aspects of this major undertaking, from providing information and advice to managing the regular electronic transfer of supporting people data, even though we had a

vacancy in this role until Malcolm Christy took up the post of Supporting People Officer in September 2004.

This revised post is an excellent example of 'partnership in practice' as the time of the Supporting People Officer is shared between NIFHA and CHNI. The creation of this new position also presented an opportunity for the two organisations to work even more closely on issues of mutual concern, as well as strengthening relationships between service providers from the social housing and homelessness fields. In addition to this process the Federation and CHNI participated in a monthly cycle of meetings with the Supporting People team to represent the views of our respective members and highlight any concerns.

Throughout 2004-05 NIFHA lobbied on key issues with varying degrees of success. The table shows some of the issues we addressed and outcomes that we achieved. Communication with our members was maintained through the Providers Forum, (which was re-activated in June 2004), the Support Group meetings, and by regular

updates in the members' briefing. Moreover, the Supporting People Officer consulted a number of associations during the year to obtain a clearer focus on their priorities, training needs and other support requirements. Finally, the Federation provided feedback to the Modernising Services Project Team at the NIHE as they worked towards implementing e-business processes for Supporting People.

Working with Partners

For a number of years the Federation has had formal liaison meetings with our colleagues in both the DSD and the NIHE and 2004-05 was no different. However, the format for our interaction with the Housing Executive was revamped to facilitate a separate focus on the strategic and the operational elements of social housing.

Operational meetings with colleagues in the DSD and the NIHE covered a wide array of housing matters including:

- Best value and continuous improvement
- North Belfast Housing Strategy



- Total Cost Indicators and setting of capital grant rates
- Rural housing provision
- Social Housing Development Programme
- NIHE's Housing Research

Our meetings with counterparts in Great Britain and across Europe continued during 2004-05. In November, NIFHA hosted the bi-annual meeting of the four UK Federations and we were pleased to give our colleagues from England, Scotland and Wales an overview of the equality process here in Northern Ireland and brief them on the joint exercise. We also participated at the European level by attending events organised by CECODHAS (the European Liaison Committee for Social Housing). As always this type of contact gave an insight into social housing on the wider scale.

A more novel interaction with colleagues in social housing took place during June 2004, when Arthur Canning, the Vice Chairperson, Jacqueline Locke, the Director of Connswater Housing Association and Graham Murton, NIFHA's Deputy Director, represented the Federation on an exchange visit to America, organised by the US State

Department and managed by the North Atlantic Corridor. Nine others from Ireland (North and South) also participated in the exchange.



While the scale of social housing in Buffalo, New Jersey and Atlanta, Georgia may have been substantially different, the participants found there was still useful information to be garnered from the experience. We believe the reciprocal event proved equally informative for the American delegates when they came to Ireland in November 2004.

Annual Conference



The yearly conference is another instance when we encounter common concerns from a different perspective. 'Housing and Community Regeneration' was the theme of this year's Annual Conference, which was held in Liverpool during October 2004. The weather was gloomy but the spirits of the 116 delegates remained good throughout the event. Representatives of the DSD, NIHE and the Northern Ireland Housing Council joined staff and board members from associations and the Federation in learning of the various strategies employed to tackle major challenges in Liverpool.

PARTNERSHIP WITH STAKEHOLDERS

Speakers from Liverpool Council and Liverpool Housing Trust together with visits to projects operated by Liverpool Housing Action Trust, Riverside Housing Association and Eldonian Housing Association highlighted innovative and stimulating responses to challenges like regeneration, urban renewal and economic recovery. Many delegates found the social economy projects run by the FRC Group especially inspiring.



Occasions such as the conference are an important part of NIFHA's work because they offer our members the opportunity to establish links with colleague organisations as well as to pick up ideas for dealing with thorny issues that are just as likely to arise in Limavady as Liverpool!



Since housing impacts upon so many aspects of community life it is inevitable that NIFHA is invited to, and participates in, a range of inter-agency groups. While it is neither possible nor practical to respond to every invitation the staff at the Federation make every effort to ensure that the views and concerns of housing associations are given the profile they deserve. Active involvement at this high level also enables us to shape the development of strategies or policies that have an effect on the business of our members. The list below

gives an indication our involvement in various strategy areas:

- NIE-Eco Energy
- Social Economy Forum and Network
- Community Safety Unit (Stay Safe, Stay Secure, Steering Group)
- NICVA's Executive Committee
- Constructionline - NI Advisory Committee

Our efforts, at this strategic level, to promote and reflect the contribution made by housing associations were supplemented by a number of visits to District Councils. The Federation's Chief Executive travelled the province from Newry & Mourne to Coleraine and from Ards to Omagh, visiting a total of eight Councils. Accompanied by staff from relevant housing associations, he made presentations about the work of our members and they both answered questions posed by Councillors. These meetings enable us to make a direct response on important housing issues and influence key policy decisions as well as increasing knowledge of the work of the movement in each locality.

In 2004-05 thoughts of a forthcoming General Election helped focus our attention on our interactions with the political parties. Therefore, as individual staff from the Federation and collectively with members representing the movement we have had meetings or informal discussions with all of the main local parties over the last year.

In some cases, like our meeting with the UUP, contact was made for a general briefing; others were to address specific issues. For example NIFHA's Chief Executive highlighted concerns about some of the misconceptions in the NI Affairs Committee Report during meetings with the DUP and the SDLP housing spokespersons. On another occasion a delegation from the movement went to Stormont to give a presentation on house sales to SF personnel.

Throughout the year the Federation worked with stakeholder organisations in a variety of ways to inform, support, promote and represent the contributions that housing associations make right across the spectrum. Often their work is so

unobtrusive that it goes unnoticed, except by the people who benefit directly from their services. Our aim is to demonstrate how the work of housing associations has impact in a range of policy areas including rural development, environmental sustainability, home ownership and regeneration as well as trying to address issues such as debt or anti-social behaviour.



To this end since April 2004 the Federation's staff have responded to 25 consultation documents, attended 91 seminars or networking events, participated in almost 300 meetings and took an exhibition stand at the NI Local Government Authority (NILGA) conference.

All of this external engagement is in addition to our involvement in NIFHA's internal groups such as the Professional Practice Committee, The Northern Ireland Housing Associations' Charitable Trust (NIHACT), the function-centred Fora and a range of issue-based working groups. Not bad for a team of five full-time and two part-time staff!

THE CHIEF EXECUTIVE'S PERSPECTIVE

Looking back, looking forward...

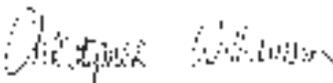
Unsurprisingly, the production of our Annual Report prompts a look back over the last year and forward to the next. It is always interesting to reflect on the variety of work NIFHA has undertaken and to try to assess its relative importance. For me, the key highlights during 2004-05 were the outstanding success of our co-ordinating work in relation to equality and good relations, the positive impact of our research and lobbying on the statutory house sales scheme, the robust defence we mounted after ill-informed criticism by the Northern Ireland Affairs Committee and the revitalisation of the Federation's charitable arm NIHACT.

It was also a year of staff changes within the Federation as we welcomed Gareth Colhoun and Malcolm Christy to the team and said farewell to our Deputy Director, Graham Murton, when he left to take up a post in Oaklee. Although the makeup of the team changed, the level of support provided did not. I thank all my colleagues for the important contribution they make.

My thanks also go to the Department for Social Development and the NIHE for the Grant in Aid that they provided in respect of the Federation's representative role and its work helping housing associations to implement Supporting People. These grants usefully supplement the affiliation fees paid by our members and enable NIFHA to offer a greater range of services than would otherwise be possible.

Naturally, the year-end review process feeds into our planning as we assess future priorities. Foremost among these is the DSD's proposal that the Housing Executive should be given the task of managing the delivery of the Social Housing Development Programme.

Finally, I extend my thanks to my colleagues across the housing association movement and on NIFHA's Council. In particular, I wish to thank Arnold Hatch for the positive contribution he has made during his two years as Chairman.



Chris Williamson, Chief Executive, NIFHA





FINANCIAL INFORMATION

'Do it online' is a current buzz phrase and like our members the Federation is keen to adapt to e-government even though keeping up-to-date with the latest software has been a challenge. However, having updated the Sage salary and accounts software and registered with the Government Gateway in the last year, NIFHA has now completed Inland Revenue, NILGOSC and VAT returns online and maximised the associated savings. E banking is our objective for 2005-06, as this will enable more effective management of our accounts.

Whether electronically or by more traditional methods, the Federation aims to manage its resources efficiently as we trust the following accounts demonstrate.

Summary of Financial Information

Income and Expenditure Account For The Year Ended 31st March 2005

	2005 £	2004 £
TURNOVER	242,875	227,015
Net operating expenses	<u>(232,447)</u>	<u>(213,538)</u>
OPERATING SURPLUS	10,428	13,477
Other interest receivable and similar income	8,346	6,675
Interest payable and similar charges	<u>(626)</u>	<u>(763)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	18,148	19,389
Tax on ordinary activities	-	-
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	18,148	19,389
Transfer to designated reserve for office replacement	<u>(6,000)</u>	<u>(6,000)</u>
Retained surplus for the year	<u>12,148</u>	<u>13,389</u>

The Federation has no recognised gains and losses other than those included above.

The turnover and expenses all relate to continuing operations.

Balance Sheet at 31st March 2005

	2005 £	2004 £
FIXED ASSETS		
Tangible Assets	<u>16,440</u>	<u>19,351</u>
CURRENT ASSETS		
Debtors: due within one year	12,934	10,403
Investments ~ short term deposits	233,020	206,533
Cash at bank and in hand	<u>7,270</u>	<u>9,587</u>
	253,224	226,523
CREDITORS: DUE WITHIN ONE YEAR	<u>(14,276)</u>	<u>(8,634)</u>
NET CURRENT ASSETS	<u>238,948</u>	<u>217,889</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>255,388</u>	<u>237,240</u>
CAPITAL AND RESERVES		
Accumulated fund	237,388	225,240
Office replacement reserve	<u>18,000</u>	<u>12,000</u>
	<u>255,388</u>	<u>237,240</u>

Note: The full accounts are available on request.

Audited by: CRAWFORD SEDGWICK & CO., Chartered Accountants

FACT FILE

Housing associations manage around a quarter of social housing in Northern Ireland

In the housing association sector around 93% of homes currently meet the Decent Homes standard

Since 1996, private funding through housing associations has enabled over 4,000 additional homes to be built

3,000 general needs tenancies let by housing associations in 2004 - 05

Grants and loans issued by NIHACT have averaged £33,000 per annum in the last five years

The £43.9 million of private investment with which associations supplemented the taxpayers' contribution in 2004-05 is equivalent to the full cost of 490 family homes

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