

NIFHA

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2005-06



Northern Ireland Federation of Housing Associations

www.nifha.org

ANNUAL REPORT
2005-2006

CHAIRMAN'S FOREWORD



On behalf of the Council of the Federation it is my privilege to write this foreword on the year's activities to 31st March 2006.

To quote the old adage, one of the constants in life is that of change and as I begin my tenure as Chairman of the Federation the potential for change seems to have gathered apace. This is highlighted by the Review of Public Administration, which in the coming years has the potential to radically change the way Northern Ireland is administered and governed.

The most notable administrative change in the housing sector is the proposed transfer of the management of the social housing development programme to the Northern Ireland Housing Executive, which is scheduled to take place in April 2007. I am pleased that the Federation and its members are well represented on the Project Board, which is important to ensure a smooth transition.

A further and potentially far-reaching initiative is the Efficiency Imperative which is the drive to achieve even greater outputs for the same resources or the same output

for a reducing investment. This is taking place in the shadow of a Comprehensive Spending Review with the housing budget once again under the spotlight.

Let us not forget, however, what the sector has achieved since the passing of the Housing (Northern Ireland) Order 1976 – since 1991 housing associations have attracted £316m of private finance into the Development Programme which would equate to the provision of around 5000 additional homes, a network of offices throughout the province, the investment already made in many neighbourhoods, the wealth of knowledge, expertise and talent embodied in the movement's volunteers and employees and the potential to achieve even more.

In all of this the role of the Federation is a key one and in the light of the pending changes a review of our structures - from Council to the various Committees and Fora - is well underway. I remain confident that when this review is complete the Federation will be ready to build upon its excellent track record in serving the membership and to face the challenges which lie ahead.

I would like to take this opportunity to thank many of our members and individuals who responded so generously to the Chairman's Charity to help the Tanda people in Guinea, West Africa. Whilst the bridge is now operational, additional work is required towards the end of the year to ensure its sustainability and expected lifespan.

As this year ends one of our "cornerstones" of the modern housing association movement has decided to step down. I wish to record, on behalf of the voluntary housing movement, our grateful thanks and good wishes to Mrs Moyra Mitchell OBE. Her vision, commitment, energy and enthusiasm from the founding days of the Federation will remain an inspiration to us all.

Finally I would take this opportunity to, thank my colleagues on the Council and all the staff of the Federation for their support and encouragement throughout the year.

A handwritten signature in black ink, appearing to read 'A. Canning', with a horizontal line extending to the right from the end of the signature.

Arthur Canning
Chairman

INTRODUCTION

During 2005–06 many people involved in social housing must have felt that their working environment was rather like a ‘fun house’ at the fair, where the floor moves beneath your feet and mirrors distort familiar sights. Throughout the year new business priorities, legislative requirements, initiatives and challenges seemed to follow hot on the heels of one another. As our Chairman mentioned in his foreword, there were numerous occasions when change seemed to be the only constant.

In these turbulent conditions, once again the Federation and its members responded positively.



POLICY

Efficiency

The policy which dominated 2005-06 was the Efficiency Agenda. Our members were aware that the Chancellor of the Exchequer required efficiency gains in public services across the United Kingdom but it was not until the Spring of 2005 that the implications for housing associations became clearer. The Federation, housing associations and the Department for Social Development (DSD) agree that service users and the taxpayer are entitled to expect efficiency from the sector but consensus has not yet been reached on how best to achieve this objective.

Together with our members we attended the DSD's presentations on the Client's Charter, drew on the experience of the housing association movement in Britain and considered alternatives at our annual conference and in a special workshop. After considerable debate within our committees, the Development Forum and the Finance Forum the Federation presented a set of ten efficiency proposals to the Department in March 2006.

The Efficiency Agenda is certainly proving to be a potent agent for change, necessitating re-evaluation of several aspects of housing association business including:

- Procurement partnerships
- Development services
- Group structures
- Mergers
- Stock swaps

All of these are major issues that demand thorough consideration and risk assessment as they have the potential to radically change how the social housing development programme is delivered and could call into question the continued existence of some associations.

For these reasons the Efficiency Agenda will continue to be a primary concern for the foreseeable future.

Social Housing Development Programme



Following public consultation, the Minister agreed that responsibility for managing the programme of social housing provision should be transferred from the DSD to the NIHE. This should streamline the operation and allow the Department to concentrate on regulating the Housing Executive and the registered housing associations.

The Federation intends to play an active role in the inter-agency group which will oversee the transfer.

Review of the Housing Association Guide

A sub-group of the Development Forum and NIFHA staff assisted the DSD in its complete review of the Housing Association Guide. The process is still not finished but, even now, the Guide is much more comprehensive and important than at any time since its introduction eighteen years ago.

The Federation is indebted to the sub-group which spent many hours addressing a host of significant issues as well as requesting clarification and/or amendments - particularly in relation to development and maintenance. Other meetings throughout the year focused on improving procedures for processing applications for scheme approval, the proposed abolition of tariff funding and the administration of house sales to sitting tenants

Anti-Social Behaviour

We hope our cover caught your eye! Anti-social behaviour has been a growing issue for some time and was a priority policy area

over the last year. NIFHA and its newly-established Working Group on this topic worked hard to put in place anti-social behaviour polices and procedures, as required by the Department for Social Development. This was achieved in January 2006, thanks to considerable effort not only from our own staff, but also that of individual associations, the DSD and the Northern Ireland Housing Executive.

The group's objective for next year is to devise a system which allows associations to monitor the impact of anti-social behaviour in practice and improve the working relationships with those organisations authorised to apply for Anti-Social Behaviour Orders (ASBOs) namely the police, District Councils and the NIHE.

PRACTICE

Common Selection Scheme Trial Exercise

For a considerable period of time, NIFHA and eight volunteer associations have been working in partnership with the NIHE to

arrange a trial exercise in which those associations would take part in the assessment of applicants for social housing. In early 2006 all relevant housing association staff completed NIHE training in the necessary processes and in March the draft procedures were being checked by the Housing Executive's legal department. We look forward to early commencement of the pilot project and are confident that it will be successful.

Working with Community Groups

The importance that housing associations place on working with representative community groups was underlined by their



sustained input to a series of meetings, facilitated by the local Housing and Environment Group, which culminated in the agreement of a Community Consultation Compact for North Belfast. Largely written by NIFHA, the Compact outlines the key factors influencing housing association development and explains what residents' groups and the other key stakeholders can expect from each other.

Similarly, the Federation and the relevant housing associations were happy to arrange a seminar with community groups from west Belfast, Poleglass and Lagmore.

Many hands...

NIFHA has also embarked on a new initiative which will afford us the opportunity to meet on a regular basis with the policy staff of the Federations in England, Scotland and Wales to compare, contrast and discuss significant policy and practice issues. The first of these meetings took place in Glasgow in March 2006.

Research

The research that NIFHA undertakes provided continued support to our membership. Like many other areas of our service the research section faced increasing demands especially in terms of the volume of work processed and the number of requests for information. One way of dealing with this is to change to a more efficient type of data input so that the Federation can concentrate on analysis and production of reports. Therefore, during 2005-06 NIFHA explored the possibility of electronic submissions by associations.

The NICORE and property databases remained an essential source of information about and for the Federation's members. In this challenging year the NICORE database recorded over 6,000 lettings of general-purpose, sheltered and supported accommodation and preparatory work began for the updating of the property database.

NIFHA also provided:

- 17 yearly/quarterly reports for individual housing associations and the DSD plus various ad hoc data requests
- 6 NICORE training seminars for staff of housing associations and their Joint Management Partners

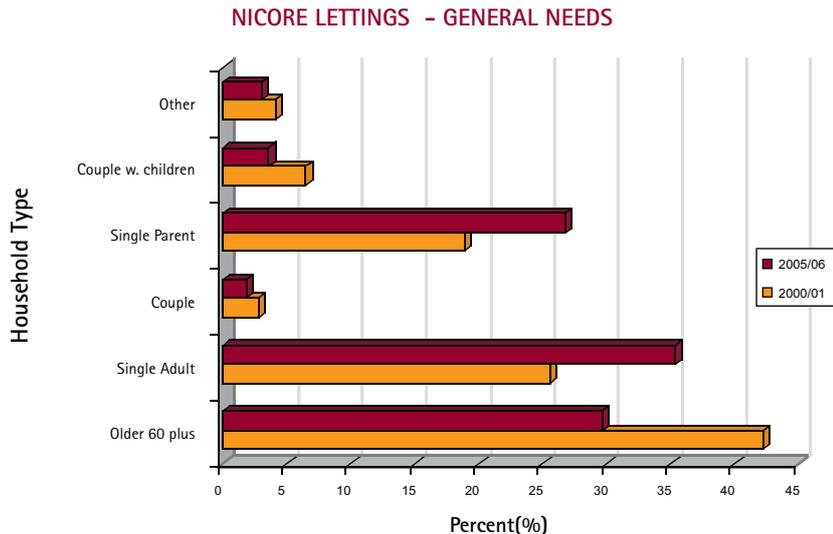
- Housing Association Annual Benchmark Review, Conference Questionnaire and IT Survey
- Partnership with NIHE through the Research Committee and House Condition Survey Forum
- Data and analysis to inform NIFHA's meetings with District Councils and individual elected representatives.

The quality of our research data (on large projects such as NICORE and smaller exercises like training evaluations) depends on the enthusiasm and professionalism of our members. We wish to record our thanks to everyone who has helped us by completing any of the logs and questionnaires that underpin these valuable statistics.

All of the data gathered by the Federation helps to inform the development of policy and strategy and ultimately plays a vital part in promoting the work of the housing association sector.

Housing Provision

In the year that ended on 31st March 2006 associations purchased or started building 1,519 units of accommodation for letting to those in greatest housing need. This result is all the more impressive because the target had been substantially increased from 1,300 in 2004-05 to 1,500 in 2005-06. Commenting on the housing associations' success, Social Development Minister David Hanson MP said: "I very much welcome the successful outcome in



the year just past. Housing Associations often face criticism that they are not delivering the Government's targets but the reality is that for the last 3 years they have delivered the targets set for them".

The Northern Ireland Co-ownership Housing Association added to the good news by enabling 504 households to gain a foothold in owner-occupation through its equity-sharing scheme, while a further 686 existing



Co-ownership customers increased their share to become full owner-occupiers in 2005-06.

Associations also assisted a large number of tenants by altering their homes to meet the specific needs of household members. In fact, during the last financial year associations received approval for expenditure of over £2.4 million for 1,598 adaptations of this nature.

Housing Support Services

A significant minority of people need some housing-related assistance to live full and independent lives in the community. The title "housing support services" is given to such services and a government programme called Supporting People provides a framework for planning, regulating and funding them.

Housing associations and their Joint Management Partners are major providers of supported accommodation and housing support services so the Supporting People framework is of considerable importance to them.

During the year the Supporting People Team consulted the sector on a revised contract for housing support services. Working closely with the Council for the Homeless Northern Ireland, NIFHA negotiated significant improvements to successive drafts of this fundamentally important document.

Uncertainty about the continuation of Supporting People funding of Housing with Care schemes remained throughout the year so the Federation made vigorous representations to the relevant authorities, including the Minister for Social Development. We thank Minister Hanson for relieving the situation in the short term and look forward to finding an appropriate and sustainable solution.



New legislation which took effect in September 2005 meant that Supporting People funds could no longer be used to finance housing support for most young people aged 16 or 17. This posed a serious threat of void losses and cash-flow problems for the projects concerned, some of which are owned by housing associations and managed by more

specialised voluntary organisations. As a result of intense lobbying by the sector the cash-flow difficulties have been resolved and an interim agreement has been reached in which the DHSS&PS will underwrite void losses, pending the establishment of co-ordinated joint planning and procurement structures for these services.

After inviting nominations from all non-statutory organisations providing housing support services, the Providers' Forum was replaced by the Committee Representing Independent Supporting People Providers (CRISPP). The new Committee can speak authoritatively for all independent providers and aims to engage positively with the statutory authorities about strategic issues.

During the past year NIFHA again argued for a more realistic uplift to the unit rates for Supporting People services. The Federation believes that the 2.5% uplift set for 2006-07 is insufficient and is concerned that associations cannot indefinitely continue to operate badly-needed but loss-making services.

Commissioning, and in particular procurement, continues to be one of the major issues associated with Supporting People. More rigorous economic appraisal is slowing the process down and members feel less opportunity to contribute meaningfully to the identification and prioritisation of needs. NIFHA has continued to strongly represent its members' views on this issue.

MEMBER SUPPORT

Review of NIFHA's Committees and Fora

As the previous sections demonstrated, our work at the policy level was supplemented by practical support. During 2005-06 NIFHA staff continued to facilitate meetings of the Council, the Professional Practice Committee, the Finance and General Purposes Committee and the NIHACT Committee which directs the Northern Ireland Housing Associations' Charitable Trust. They also participated in the regular Fora meetings as well as a variety of other working or sub-groups.

NIFHA Council recognised that sustaining such a wide range of activities was bringing increasing pressure on our small staff team so it decided to review the structure of the Federation's committees and groups.

The underlying aim of this review is to ensure that the support we provide for our members continues to be effective and focused on their needs. This important work was still ongoing as the business year came to a close.



Equality

The Federation is pleased to report that all 37 of the designated housing associations had their Equality Scheme approved by the Commissioners by December 2005. This effectively ended phase one of the joint equality exercise which was co-ordinated by the Federation. In our view and that of our members the arrangement had been very successful since the support offered by NIFHA enabled us to minimise the administrative burden on consultee organisations, yet gave associations the opportunity to pool knowledge, experience, skills and resources. Feedback from the Equality Commission and a number of consultee organisations also supported this perspective.

Whilst our members accept that each has an individual responsibility to implement equality of opportunity within their own organisation, the benefits of this collaborative approach encouraged the designated housing associations to undertake additional work in this fashion and to extend the joint exercise beyond the production of Equality Schemes.

Other activities have included:

- working together on the policy screening process
- conducting a joint consultation exercise
- arranging a series of training sessions to raise awareness of specific s75 categories
- organising other relevant training
- practical workshops on the EQIA process
- commissioning 'Welcome' posters to offer a friendly invitation to people from a wide range of cultures

As in previous years the Federation and its members have seen the obligations arising from the Statutory Duties as an opportunity to improve services and to explore the options for increasing the accessibility of those services. We believe that our work to mainstream equality is another area where change will bring positive benefits. The equality obligations may be relatively new to the housing association movement but elements such as respecting difference and valuing diversity have always been at the heart of our work.

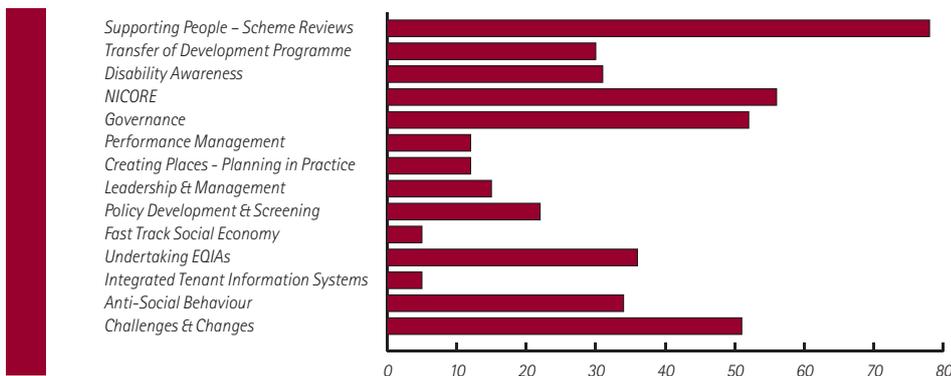
Training

The range of demands faced by our members during the year had impact on our own service provision. The list of topics shown on the bar chart gives some idea of the scope our training now needs to cover. We dealt with this changed situation in several ways.

Firstly, the Federation stepped up training to ensure that housing association staff were properly equipped to deal with the wide variety of tasks they have to undertake. We organised more seminars, information sessions and workshops than usual, achieving a total of almost 500



Seminar Attendance 2005-06



participants at 25 separate events. In addition, from December we took advantage of our increased office space to establish a designated training area at 38 Hill Street.

Annual Conference

The location of our Annual Conference is one thing that does change every year and this time we were on home ground when the Northern Ireland housing associations convened in Londonderry in October 2005. Being on familiar territory did not prevent

NIFHA from bringing innovation to this regular event. We took the opportunity to introduce both a day delegate option and a trade exhibition. The first change was to enable more people to attend NIFHA's Conference while the second offered members a better insight into a variety of products and services and at the same time helped to offset the Federation's overall costs.

As mentioned previously, the Efficiency Agenda was a key theme at last year's Conference. However, we also covered a



range of topical issues from Supporting People to House Sales Administration, and Renewable Energy to Drug Awareness in workshop sessions. In addition, delegates heard keynote speeches on the future for social housing, the Inspection process and the Regulatory Framework, were able to engage in lively debates and pose questions to key political and housing figures during the "Question Time" section of the programme.

Finally, the study visits enabled participants to view several interesting projects including:

- FOLD Housing Association's innovative dementia scheme at Sevenoaks
- Environmental initiatives at Craigowen Housing Association's Clanabogan site
- Damien House, Habinteg Housing Association's project promoting the social inclusion of young single people and persons recovering from alcoholism
- Social enterprises which have also facilitated housing association development.

We may not have travelled too far, but even the short distance allowed us to gain a different perspective on the current 'big issues'.

PROMOTION

Communications and Public Relations

Promotion of the work of housing associations in Northern Ireland is undoubtedly a core element of our business and this is unlikely to change even if the

methods for achieving recognition do. Over the last year NIFHA's Promotions team worked diligently to build on the success enjoyed in the previous year and regular services such as member briefings, production of 'posh' magazine or relevant marketing advice continued as usual. In addition, our Communications Officer assisted a number of members with the development of a Communications Strategy – an increasingly important business target.

As was the case across the Federation 2005-2006 proved to be a year of change in terms of communications, not only did the movement enjoy improved media coverage, but the Federation also took huge steps in relation to its website redevelopment and featured for the first time in the prestigious Chartered Institute of Marketing Awards (CIM).

The need to have a client driven website has not been lost on the Federation and a commitment was made to change to a more useful type of site. An extensive redevelopment project was initiated in October 2005, incorporating a full tendering process that led to TIBUS

(internet design company) being selected to partner with NIFHA to revitalise the current www.nifha.org domain.



When completed the new website will comprise two separate internet sites; firstly a global site will be used to communicate key housing information to members, as well as a variety of stakeholders and secondly a dedicated members' intranet site will be used to communicate internally with members. The members area will contain specialist housing information e.g. consultations, policy updates and housing data. It is anticipated that the new NIFHA website will be launched September 2006.

The other big change for the Federation in 2005–06 was to have our work on marketing assessed in relation to others in this field. In particular, the 4 Peaks challenge which raised a fantastic **£15,000** for homelessness charities and in doing so achieved province-wide publicity for the participants. We took the view that the '4 Peaks Homeless Challenge' (an inter-agency partnership led by Ark Housing Association in partnership with NIFHA, Shelter (NI) and the Simon Community Northern Ireland) exemplified a different angle on marketing. Taking such a focused approach to public relations was a new element in our work so we submitted an entry for the Chartered Institute of Marketing Awards, under the category of "Voluntary and Community Sector Marketing Awards". The category was fiercely competitive; however, the Federation and the 4 Peaks partnership were highly commended, taking the runner up position – not bad for a first appearance!

The Federation has now established key relationships with many of the main media organisations (both locally and nationally) within Northern Ireland. Despite a limited PR budget we calculate that our efforts

achieved media coverage for members in the region of £20,000 during 2005-06. Therefore, NIFHA would encourage all members to take full advantage of its in-house media and communications department.

In today's changing marketplace the importance of good communication has never been more critical. By continuing our collaborative working practices and targeting our skills and resources NIFHA is confident that the year ahead can be even more productive with greater visibility for member achievements and a move towards a more strategic approach to this area of operations.



CHIEF EXECUTIVE'S CONCLUDING REMARKS



The Federation exists for our members (the 44 affiliated housing associations) and is owned by them. In contrast to many other representative bodies in Northern Ireland, the members contribute the lion's share of our income and some may wonder if they are getting good value for their affiliation fees.

I am convinced that they do and I hope this report enables you to agree. We were unable to achieve everything our members would have wished but, in another very challenging year, I believe the Federation has clearly proved its worth in five important respects.

Firstly, we have effectively publicised the successes of the housing association movement and robustly countered unfounded criticism. Our twice-yearly magazine *posh* celebrates the positive work of our members and was sent to every MEP, MP, MLA and District Councillor in Northern Ireland, as well as to hundreds of other stakeholders. We issued press releases on newsworthy topics (notably another year of development success) and assisted a number of associations which requested advice on public relations.

By achieving consensus in the movement and exercising effective leadership the Federation was able to negotiate more satisfactory outcomes on important issues such as the Supporting People contract and elements of the government's efficiency agenda.

Thirdly, our co-ordination of associations' work on equality impact assessments has proved invaluable for many members.

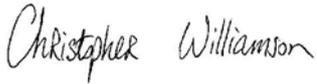
The "bread and butter" work of representing our members continued in three ways which may not be obvious to many in the housing association movement. Through the committee structure and the specialist Fora our members shaped NIFHA's responses to 21 consultation documents issued by other organisations. Similarly, associations influenced the development of policies initiated by the Federation. By being represented on the Boards of related bodies, such as the Northern Ireland Council for Voluntary Action and the Social Economy Network, the Federation is able to present the perspective of the housing association movement and raise its profile.

NIFHA has added value in a fifth respect by developing and drawing on our links with kindred Federations in Great Britain and the rest of Europe. The former greatly assisted our policy debates about efficiency and the European Liaison Committee for Social Housing benefited our members by

FINANCIAL INFORMATION

persuading the European Union to exclude social housing from the scope of the draft "Services Directive".

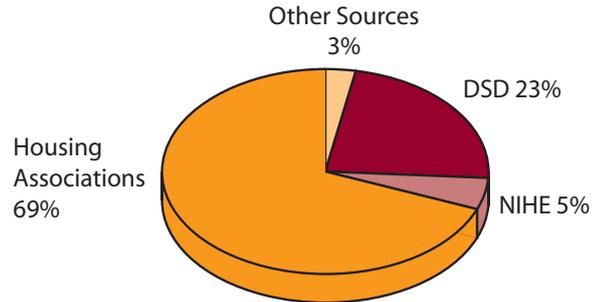
In conclusion, the Federation thanks the Department for Social Development and the Housing Executive for their grant in aid and approachability. I also greatly appreciate the support of my staff colleagues (including new members Donall Henderson and Shelley Blair), the housing association representatives serving on all NIFHA groups and the Federation's Chairman, Arthur Canning.



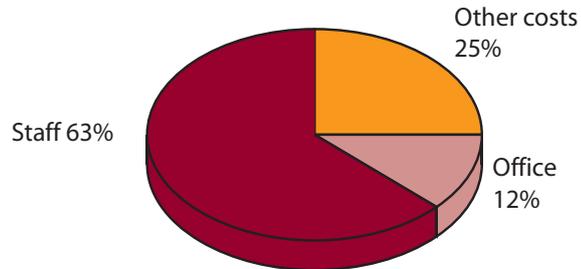
Chris Williamson
Chief Executive



NIFHA INCOME 2005-2006



NIFHA EXPENDITURE 2005-2006



SUMMARY OF FINANCIAL INFORMATION

Income and Expenditure Account For The Year Ended 31st March 2006

	2006 £	2005 £
TURNOVER	252,199	242,875
Net operating expenses	<u>(251,595)</u>	<u>(232,447)</u>
OPERATING SURPLUS	604	10,428
Other interest receivable and similar income	10,349	8,346
Interest payable and similar charges	<u>(718)</u>	<u>(626)</u>
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION	10,235	18,148
Tax on ordinary activities	(83)	-
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	10,152	18,148
Transfer to designated reserve for office replacement	<u>(6,000)</u>	<u>(6,000)</u>
RETAINED SURPLUS FOR THE YEAR	<u><u>4,152</u></u>	<u><u>12,148</u></u>

The Federation has no recognised gains and losses other than those included above.
The turnover and expenses all relate to continuing operations.
Summary of Financial Information

Balance Sheet at 31st March 2006

	2006 £	2005 £
FIXED ASSETS		
Tangible Assets	<u>21,013</u>	<u>16,440</u>
CURRENT ASSETS		
Debtors: due within one year	17,431	12,934
Investments ~ short term deposits	227,313	233,020
Cash at bank and in hand	<u>12,252</u>	<u>7,270</u>
	<u>256,996</u>	<u>253,224</u>
CREDITORS: DUE WITHIN ONE YEAR	<u>(12,469)</u>	<u>(14,276)</u>
NET CURRENT ASSETS	<u>244,527</u>	<u>238,948</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u><u>265,540</u></u>	<u><u>255,388</u></u>
CAPITAL AND RESERVES		
Accumulated fund	241,540	237,388
Office replacement reserve	<u>24,000</u>	<u>18,000</u>
	<u><u>265,540</u></u>	<u><u>255,388</u></u>

Note:
The full accounts are available on request.

Audited by:
CRAWFORD SEDGWICK & CO., Chartered Accountants

HOUSING ASSOCIATION HEADLINES...

Housing associations again exceeded the development output target set by the Department for Social Development by starting 1,519 of accommodation during the year 2005-06.

In 2005 all 37 designated housing associations had their Equality Schemes approved by the Equality Commission for Northern Ireland.

Northern Ireland Co-ownership enabled 504 households to get onto the property ladder and a further 686 existing clients to become full owner-occupiers in 2005-06.

In the last financial year NIHACT issued grants and donations totalling £21,200

Over 3,300 new general needs tenancies were let by housing associations in 2005-06

During the last financial year associations received approval for expenditure of approximately £2.4 million for 1598 adaptation works to meet the specific needs of particular tenants

Mr Derek Rankin (of Clanmil HA, NIFHA Council and the NIHACT Committee) was awarded the MBE for services to housing.

NIFHA

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