

WFHA Annual Report to Tenants

2022 – 2023



Our response to a hostile environment

As a housing association, we are committed to fairness and inclusivity in providing homes and services, representing our tenants and communities, and as an employer. As such, we have a responsibility to speak out in situations where these commitments are challenged by messaging that creates a hostile environment.

The London we all know and love is home to more than three million people who were born abroad. That's one in three of us.

Adding in the generations who were born in Britain, the 2021 Census found that 46% of Londoners identified themselves as being in the Asian, black, mixed or 'other' ethnic groups. A further 17% belonged to white ethnic minorities.

Without migrants, London would literally come to a standstill – because a third of Transport for London's staff are from black, Asian and minority ethnic (BAME) backgrounds.

Without migrants, the NHS would never have been possible. Doctors, nurses and other staff from abroad were essential members of the workforce from day one. It's why nurses from Jamaica arrived on the HMS Windrush just 12 days before the NHS was launched in 1948. And it's why, some 75 years later, more than a quarter of London's NHS workers are still from overseas, while 45% are from BAME backgrounds.

Without migrants, our social care system

would collapse. In Greater London, nearly three out of five care workers are migrants – and we still struggle to fill vacancies.

Hospitality, transport, storage, IT – all popular with migrants, and all areas of staff shortages in London. As our white British population ages, these shortages can only grow – unless we welcome young migrants.

Put simply – without migrants, and the generations that follow, modern London would not be London. Our diverse communities now live in every area of our capital city and work in every sector, at every level. In 2023, London is a place made up of people who have overlapping histories and backgrounds – including within families. Migrants are not just essential to London's success, they are also who we are.

A hostile environment

Sadly, despite this, life in London has often been very difficult for migrants and BAME people. Discrimination and racism are still daily realities for many Londoners. In recent years, 'hostile environment' policies have targeted a wide range of people – including those who have lived here all, or most, of their lives.

The recent targeting of refugees and migrants arriving in small boats has promoted division, blame and racism, at a time when so very many

Londoners, of all ethnic backgrounds, are struggling to pay their bills and feed their families.

None of the racism being stirred up offers solutions to the problems currently facing us all. A hostile environment for some ends up making life hostile for everyone.

Where we stand

We are proud of our city and our borough and we recognise they were built on migration. We see it as our job to play our part in creating a fairer and safer community for all.

We are a strongly values-based organisation. Our values of Respect, Empowerment, Ambition, Care and Honesty were formed immediately following the Grenfell fire tragedy in 2017 and inform everything we do, every day.

Respect is very important to us – we respect people and communities through our belief in equality, inclusion and the value of diversity. We believe that structural inequalities in our society create systemic disadvantages.

We are an anti-racist organisation with zero tolerance to discrimination. Our staff and Board reflect the diversity of our tenants, the borough and London. Many of us have lived experience of social housing. This helps us to provide the homes and services you expect. If we fall short, please let us know.

If you are experiencing racism or discrimination, or if you'd like to help us to combat these issues, please get in touch.

Chair and CEO's review: 2022-23

We are looking back on a year that again came with challenges. The cost-of-living crisis has affected every tenant and every social housing landlord across the country.

Inflation has been running particularly high around the costs of materials and labour. This has made our repairs service more expensive to run. The cost of providing all our services has risen.

Nevertheless, careful management, strong governance and a focus on our core work meant that we continued to deliver good quality frontline services throughout the year.

We prioritised health and safety compliance and completed additional fireproofing work. Our Decent Homes programme, while more modest than we had hoped, still delivered a significant number of home upgrades.

With tenants facing rocketing energy and food prices, we offered support and good quality information to our struggling households.

We are working to make our homes more energy efficient. This includes new windows and ventilation systems. In the much longer term, as we take on the enormous challenge of retrofitting homes to meet the UK's net zero targets, we expect to see even greater energy savings.

We wish to thank our Tenant Scrutiny Panel for their work for WFHA during the year. They made a strong contribution by scrutinising our

performance, commenting on policies and steering the content of our newsletters. Sadly, we had to wind up the panel before Christmas, as we lacked enough people to attend regularly. For now, we will find alternative ways to involve tenants – so please contact us if you are interested.

During the year, several Board members stepped down. We offered warm thanks to Emma Brett, Nevil Osborne and Joe Mensah-Dankwah. Our Chair, Duncan Howard, also came to the end of his term of office and we thanked him for his longstanding commitment to WFHA.

We welcomed four new Board members – Ayo Akinwale, Chanelle Rowe, Gareth Jones and Tyron Julien. They each bring great skills and experience and are already making a significant contribution to WFHA. For example, Ayo recently became our Board Diversity Lead.

In the year, the Government made clear its plans for greater regulation and standards in the social housing sector. We welcome the new Social Housing Regulation Act that will come into force from April 2024. The Act will make housing associations more accountable to their tenants and introduce new safety standards.

Social housing has been in the spotlight recently, for all the wrong reasons. We know we sometimes get things wrong. If we're not meeting your expectations, then please let us know.



There are challenges ahead, but WFHA is in a good position to continue providing the services our tenants expect. Above all, we have a Board, executive and staff team who remain firmly committed to our core mission and values.

But, we need to hear from you. If you're interested in getting involved, please get in touch.

About WFHA

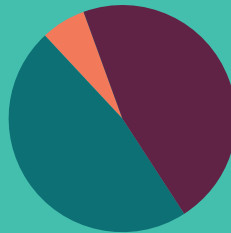
WFHA is an independent, not-for-profit, Registered Provider of housing. We currently work entirely in the London Borough of Waltham Forest.

We are a member of the g320 group of small housing associations in London. The group now has around 70 members – all with fewer than 2,500 homes.

g320 members are locally focused, house a rich mixture of Londoners, and many of us offer specialist or support services.

The g320 provides us with a forum for good practice, networking and partnership working.

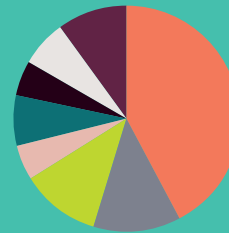
Type of home



- General needs (47%)
- Sheltered (46%)
- Supported (7%)

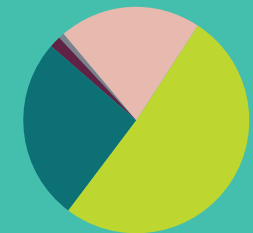
329 homes in total

Ethnicity of tenants



- White British (42%)
- Black British/Caribbean (12%)
- Black/Black British African (11%)
- Black British other (5%)
- Asian/Asian British (7%)
- Mixed white/Other (6%)
- White Irish/White other (7%)
- Other/No information (10%)

Size of home



- Studio flats (20%)
- One bed flats (51%)
- Two bed flats/houses (26%)
- Three bed houses (2%)
- Four bed houses (1%)

Age of tenants



- 18-24 years (1%)
- 25-54 years (32%)
- 55+ (67%)

325 tenants in total



Tenant involvement

Tenant Scrutiny Panel

The Tenant Scrutiny Panel met four times between April and November 2022, to scrutinise our work and provide tenant input into our business decisions, performance and the way we are governed.

The panel gave us their take on:

- our tenant engagement plan
- the new tenant service standards, and
- the content of tenant newsletters.

They helped in the testing of the new online tenant portal, as part of our new HomeMaster housing management software.

They also scrutinised our:

- health and safety performance, and
- our performance around rent arrears.



The panel came up with a number of ideas that we adopted. For example, they wanted us to restart tenant activities at our sheltered schemes following the pandemic. We are pleased to report that there are now meetings and social activities taking place.

The panel attended our Human Resources, Remuneration and Governance Committee as guests. This allowed them to see our governance arrangements at work and to build a relationship with our Board and committee members.

Sadly, despite these successes, we finally had to take the decision to disband the panel in November, because we lacked enough people for full meetings and we had not managed to find additional new members.

However, we would like to thank Laverne Earle, Dulcie and Mark Southam for their time, commitment and contribution they made while on the panel. It was genuinely helpful and we appreciated it.

The Tenant Engagement and Scrutiny page on our website (wfha.org.uk/about-us/the-scrutiny-group) gives an overview of scrutiny and engagement. If you would like to become a panel member, you can still complete and return our form. We will hold this until we have enough tenants to reform the panel.



Other ways to get involved

We are continuing to encourage tenant involvement wherever possible. If you would like to get involved, but have limited time, we would be happy to take your input for a one-off project.

To find out more, email us at info@wfha.org.uk or call us on 020 8524 6987, option 2.

Keeping your homes in good condition

Repair satisfaction

The Asset Services Team make regular calls to tenants who recently had a repair done, to find out if they were satisfied. If you tell us you were unhappy, we try to sort this out straight away.

In 2022-23, your overall satisfaction with the repairs service was just short of 92%. This compares well with our benchmarking group of similar landlords, where the average satisfaction was 87%.

Health and safety update

As well as carrying out regular health and safety checks, we undertook some special fire safety works during the year. We fitted fireproof glass in the communal areas at Garenne Court and completed fire safety works in the basement of Manor Road.

If you have any questions or concerns about safety in your home or at your scheme, please let us know.

Investing in homes

During the year, inflation pushed up the cost of materials and labour significantly, which affected how much Decent Homes work we were able to do.

Nevertheless, by the end of the year, we had fitted:

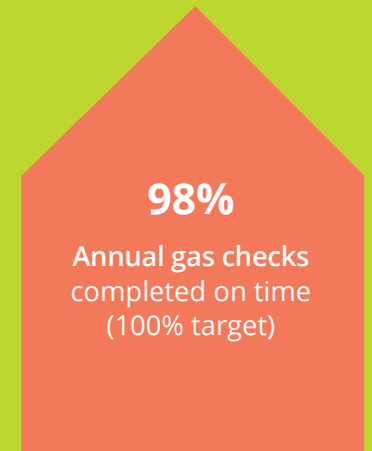
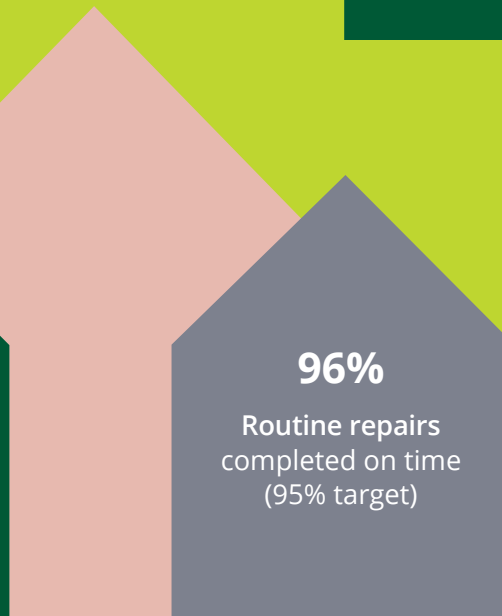
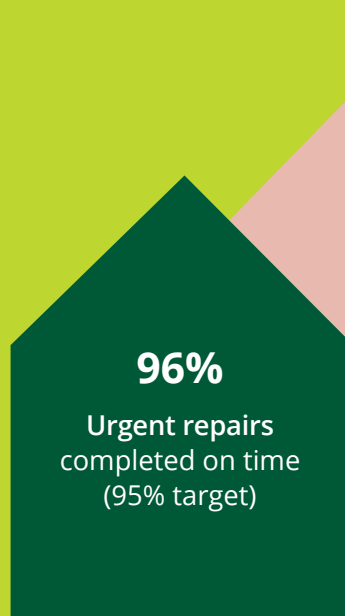
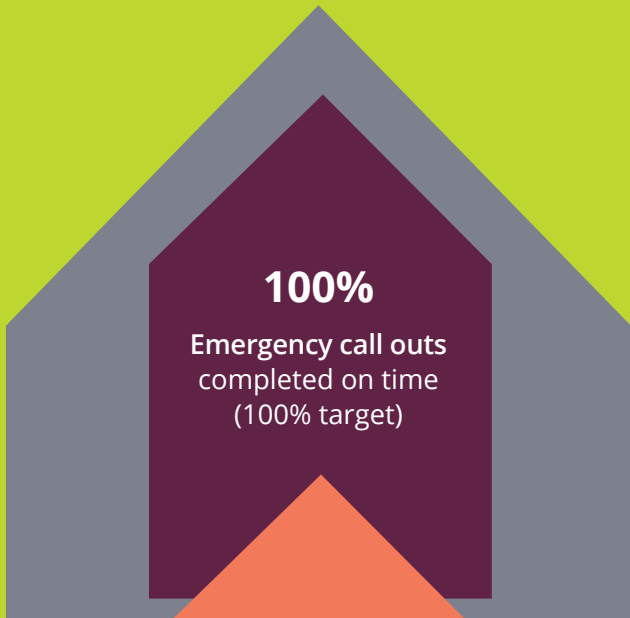
- 20 new kitchens – spending £137,111
- 9 bathrooms – spending £42,787
- new windows at a number of properties – spending £273,106
- 5 new gas boilers – spending £16,105
- 8 new storage heaters - spending £7,687, and
- 13 new water heaters – spending £22,799.

We also spent £275,921 on the first phase of roof replacement at Garenne Court and £82,423 on ventilation systems at three properties.



Our repairs performance

We carried out 911 day-to-day repairs in 2022-23.



Operations

About your rent

In April 2023, we raised our rents by the cap set by the government. Although, for most of our tenants, the extra we charge will be covered by their Housing Benefit or Universal Credit, we recognise this is a big jump for some.

Unfortunately, with prices rising fast, this capped rent rise is less than inflation. It means our budgets will be very tight this year. However, as always, we will offer support to those who are struggling to pay.

Despite the rise, social housing is still very good value for money. However, it remains in very short supply. In 2022, one in five London homes (717,078) were let at social rents – 2,056 fewer than in 2021. There were also 45,440 homes let at one of the higher – ‘affordable’ – rents.

There were more than 300,000 people on local authority waiting lists.

Social housing is popular, not just because rents are fair, but because people have the security of a tenancy that will typically run for at least five years – or, more often, be permanent.

As a tenant of WFHA, you are renting from a community-based housing association, which puts residents at the heart of its work. Our only income is the rent you pay.

We spend this money on:

- management costs
- routine maintenance/responsive repairs
- planned/cyclical maintenance, and
- interest on our loans and finance charges.

Our average rent is £110 per week. By June 2023, the average paid in the private rental market in the London borough of Waltham Forest was an eye-watering £1,400 each month.

WFHA's average weekly rents

| | |
|-----------------|---------|
| Studio flats | £96.66 |
| 1 bedroom flats | £108.38 |
| 2 bedroom flats | £122.51 |
| 3 bedroom house | £151.44 |
| 4 bedroom house | £175.49 |



Customer services

We recently launched a new housing management system, HomeMaster, to replace 20-year old software that was not web based.

As well as making our services more cost effective and secure to run, it also includes our first secure, online tenant portal. If you have access to the internet, this gives you a new way to communicate with us and manage your tenancy – at a time to suit you.

To find out more, go to: wfha.org.uk/wfha-tenant-portal

Office appointments

We reintroduced face-to-face appointments once more – but only by arrangement.

When we first brought back these appointments, some tenants still dropped by the office without booking a meeting first. Unfortunately, the person they wanted to see would often not be there.

This is because our new agile working pattern involves staff working only part of the week in the office. At other times, they may be out and about at our schemes, or working from home. This is proving to be an efficient way for our staff to work and provide a responsive service to tenants.

Complaints and anti-social behaviour

During 2022-23, we received eight complaints and resolved them all at stage 1 of our process.

Among the complaints:

- five were about health and safety issues
- two were about anti-social behaviour, and
- one was about the way we govern our organisation.

Empty homes and lettings

We let 21 homes in 2022-23.

In all, 74% of our homes were let to black and ethnic minority tenants.

Our average turnaround of empty properties was 39.8 days, which included four of our empty homes in need of major repairs before we could re-let them.

Working partnerships

We continued to work with:

- The London Borough of Waltham Forest
- Outlook Care and Outward Housing, who provide support at our disability schemes
- TPAS, the tenant involvement experts
- The Build London Partnership for new developments
- Single Homeless Prevention Service
- Branches, part of the YMCA
- YMCA
- Spark 2 Life
- Housing Diversity Network
- National Housing Federation
- Chartered Institute of Housing
- Board Development Agency
- Acuity

The staff team

Our philosophy is that work is something we do, not somewhere we go. It's an activity, not a place.

Although we had to launch agile working during the coronavirus pandemic, we have embraced it as an opportunity to help us to work smarter. Agile working gives our staff a better work-life balance and a better tenant experience. We soon saw that it would allow us to spend more time with our tenants, meeting them face to face.

Using our smartphones and laptops, we can answer questions and resolve problems wherever our tenants are and wherever we are working. For example, we can access information quickly when we are carrying out a home visit.

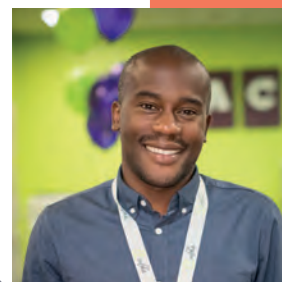
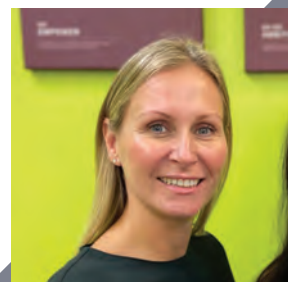
We still meet tenants at our office, but by appointment only – so that we can get the best use of staff time.

Staff changes

In September 2022, Cheryl Whittle, our Director of Operations and Deputy CEO, took on a new challenge, after 14 years at WFHA. Ruth Kintu, Independent Living Co-ordinator, also left and was replaced by a new member of staff, Lavinia Marius.

Michael Pughsley, who was previously Director of Asset Services and Development, took on the role of Director of Housing and Deputy Chief Executive, while Samir Dahhane, previously Asset Services Co-ordinator, moved to the role of Independent Living Co-ordinator.

Clockwise from the top: The staff team; Lavinia Marius, Independent Living Co-ordinator; Samir Dahhane, Independent Living Co-ordinator; Sally Rowe, Head of Asset Services; Nicky Anderson, Head of Operations; Shahron Shah, CEO; Michael Pughsley, Director of Housing; Cheryl Whittle, formerly Director of Housing; Angela Hendrick, Operations Manager; Hollie Nicette, Operations Co-ordinator; Kevin Marius, Asset Services Manager; Linda Wright, Head of Governance.



Governance: the Board

After serving on our Board since 2013, and as Chair from 2017, Duncan Howard reached the end of his tenure and stepped down from his role in November 2022. Chief Executive, Shahron Shah, the Board and staff, gave thanks to Duncan for his commitment and hard work over the years.

Duncan is succeeded by Dale Walker, who is a Chartered Building Surveyor by profession. Dale has been a WFHA Board member and committee chair for several years.

The Board met regularly online during the year, and in person for the autumn AGM in 2022.

With a number of Board members, including the Chair, being replaced from November 2022, succession planning was an important part of the early part of the year.

The terms of reference for all three of the Board's sub-committees were also reviewed.

In addition, the Board:

- oversaw the second year of the Business Plan
- oversaw and managed risk, and our 30-year plan, and
- continued to monitor health and safety.

The Board agreed to the outsourcing of our finance function from September 2022, which has resulted in a streamlining of our services that has proved to be more efficient and cost effective.

The Board in 2022-23

Pictured top to bottom, left to right:

Duncan Howard Chair (end of tenure, November 2022)

Dale Walker Chair (from November 2022)

Marina Robertson Vice Chair & Chair of Human Resources, Remuneration & Governance Committee

Emma Brett Chair of Finance, Audit & Risk Committee, and Treasurer (end of tenure, November 2022)

Ben Hutton Chair of Finance, Audit & Risk Committee, and Treasurer (from November 2022)

Richard F Sanders Chair of Asset Management & Development Committee (resigned, January 2023)

Maggie McCann Chair of Asset Management & Development Committee (from January 2023)

Josie Parsons

Joe Mensah-Dankwah (end of tenure, November 2022)

Nevil Osborne (end of tenure, 2022)

Gareth Jones (from November 2022)

Ayo Akinwale (from November 2022)

Chanelle Rowe (from November 2022)

Tyron Julien (from November 2022)



Our financial year

At 31 March 2023, the WFHA maintained a positive balance sheet with cash of £531,160 (2022: £902,523) and net current assets of £861,286 (2022: £823,801).

Overall, WFHA remains in a good position, despite a difficult year for the sector, with high inflation and other factors affecting the cost of providing services – particularly repairs and maintenance.

Rents

We collected 95.5% of general needs and sheltered housing rent due (96% in 2021-22), against a target of 100%. The figure was 104.4% for supported housing, as some tenants had credit on their accounts. The median for our benchmarking group of similar landlords was 98.6%.

Rent arrears stood at 3% (4% in 2021-22) against a target of 3.5%. The median for our benchmarking group was 3%.

Balance sheet for the year ending 31 March 2023

| | 2023 | 2022 |
|--|-------------------|-------------------|
| Fixed assets | | |
| Intangible fixed assets | 77,894 | – |
| Tangible fixed assets: housing properties | 13,886,979 | 13,837,224 |
| Other fixed assets | 139,333 | 159,593 |
| | 14,104,206 | 13,996,817 |
| Current assets | | |
| Debtors | 825,086 | 656,351 |
| Cash and cash equivalents | 531,160 | 902,523 |
| | 1,356,246 | 1,558,874 |
| Creditors | | |
| Amounts falling due within one year | (494,960) | (735,073) |
| Net current assets | 861,286 | 823,801 |
| Total assets less current liabilities | 14,965,492 | 14,820,618 |
| | | |
| Creditors: amounts falling due after more than one year | 7,180,402 | 7,303,148 |
| Provision for liabilities | 153,000 | 144,000 |
| | 7,333,402 | 7,447,148 |
| Capital and reserves | | |
| Called-up share capital | 19 | 19 |
| Not revenue reserves | 7,632,071 | 7,373,451 |
| | 14,965,492 | 14,820,618 |

Cash flow statement for the year ending 31 March 2023

| | 2023 | 2022 |
|--|----------------|----------------|
| Net cash generated from operating activities | 21,218 | 192,541 |
| Cash flow from investing activities | | |
| Interest received | 1,414 | 604 |
| Proceeds from sale of fixed assets | 584,501 | |
| Purchase of tangible fixed assets | (846,042) | (731,571) |
| Net cash generated from investing activities | (260,127) | (730,967) |
| Cash flow from financing activities | | |
| Interest paid | (68,718) | (56,170) |
| New bank loan | - | 500,000 |
| Repayment of borrowings | (63,736) | (184,200) |
| Net cash used in financing activities | (132,454) | 259,630 |
| Net (decrease)/ increase in cash & cash equivalents | (371,363) | (278,796) |
| Cash & cash equivalents at start of year | 902,523 | 1,181,319 |
| Cash & cash equivalents at year end | 531,160 | 902,523 |

Statement of comprehensive income for the year ending 31 March 2023

| | 2023 | 2022 |
|--|----------------|----------------|
| Turnover | 2,628,118 | 2,571,824 |
| Operating costs | (2,535,333) | (2,391,533) |
| Gain on disposal of housing properties | 265,155 | - |
| Operating surplus | 357,940 | 180,291 |
| Interest receivable | 1,414 | 604 |
| Interest payable | (52,734) | (62,170) |
| Surplus for the year | 306,620 | 118,725 |
| Other comprehensive income | | |
| Actuarial gain/(loss) on defined benefit pension plan for the year | (48,000) | 80,000 |
| Total comprehensive income for year | 258,620 | 198,725 |

Delivering value for money

In line with our Business Plan for 2021-24, our value for money strategy commits us to delivering economy, efficiency, effectiveness and equity.

Our overall value for money results for the year were disappointing, but unsurprising for a particularly challenging year. The continuing effects of Brexit, the Covid-19 pandemic, the war in Ukraine, and rising inflation have impacted the whole social housing sector.

In addition, benchmarking data across the sector shows that as a provider of a significant amount of housing for older people, our operating margin will typically tend to be around 10% lower than other housing providers.

However, our spending for the year included investing in new accounting and housing management systems, which will increase our efficiency over time. We also reduced the number of senior management posts – which will provide an ongoing saving. These changes form part of our plans to increase our operating margin in the years to come.

We also invested in Decent Homes upgrades and prioritised health and safety compliance work.

Value for money metrics 2022-23

| | Achieved 2021-22 | Achieved 2022-23 | Target 2022-23 | Benchmark 2022-23 | 2023-24 target |
|---|------------------|------------------|----------------|-------------------|----------------|
| Reinvestment (spend on homes as a % of total stock value) | 5.64% | 5.56% | 5% | 3.65% | 6% |
| New supply delivered (how many new homes) | 0% | 0% | 0% | 0% | 0% |
| Gearing (our debt levels – loans allow us to invest in existing homes or develop new ones) | 1.89% | 4.10% | 5.2% | 14.54% | 5% |
| EBITDA MRI interest cover (measures our surpluses against the amount of interest we pay) | 903% | 568% | 223% | 152% | 300% |
| Headline social housing costs per unit (average spend on each home – includes managing, servicing, repairing & upgrading costs) | £6,008 | £6,386 | £5,500 | £6,787 | £6,600 |
| Operating margin: social housing (surplus before loan interest paid) | 5.68% | 3.43% | 9.18% | 11.4% | 11.4% |
| Operating margin: all homes (surplus before loan interest paid) | 7.8% | 3.81% | 8.95% | 10.3% | 10.3% |
| Return on capital employed (surplus as a % of capital used) | 1.22% | 2.39% | 2.93% | 1.8% | 1.4% |



we RESPECT

People and communities through our belief in equality, inclusion and the value of diversity. We believe that structural inequalities in our society create systemic disadvantages. We are an anti-racist organisation with zero tolerance to discrimination.

we EMPOWER

People and communities by maximising strengths and opportunities and building resilience.

we are AMBITIOUS

Constantly improving, delivering better value for money and striving to provide more homes and services.

we CARE

About what we do, step up to take responsibility and are passionate about our social purpose and making a positive difference.

we are HONEST

Act with integrity and are accountable to our tenants, our partners and each other.

Together we can



Waltham Forest Housing Association

Energy Centre, 31 Church Hill
Walthamstow E17 3RU
Phone: 020 8524 6987

Email: info@wfha.org.uk

Web: www.wfha.org.uk

Executive Team

Shahron Shah, Chief Executive

Cheryl Whittle, Director of Operations and Deputy CEO (until September 2022)

Michael Pughsley, Director of Asset Management and Development (until September 2022), then Director of Housing and Deputy CEO (from September 2022)

Neil Thorneycroft, Interim Finance Director, to May 2022

Rob Wharton, Interim Finance Director (from June to September 2022)

Professional advisors

Bankers: Lloyds Bank

External auditors: CLA Evelyn Partners (formerly Nexia Smith & Williamson)

Solicitors: Blake Morgan

Professional services

Accountants: Alwyns LLP (from September 2022)

Regulator of Social Housing Registered Number: L0461

Co-operative and Community Benefit Society Number: 21186R

