



50 years of Newlon

REPORT & ACCOUNTS 2017-2018

celebrating

50 years

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Photo: Station Square (CGI)





Introduction

Welcome to our Annual Report for 2017-2018.

This year is our 50th anniversary and we have come a long way since we purchased two houses in Hackney to convert into flats to be let at affordable rents in 1968 in response to the needs of local people for decent and affordable homes.

There is much to celebrate about our performance in the last year, which is covered in the main body of this report, and also in the story of our 50 years detailed in the middle section.

Our story is one of ongoing social commitment, engagement with residents and the regeneration of communities. It is a story as important today as it was in 1968.

Chief Executive's statement



Hale Works (CGI)



View from the top of Rivers Apartments

I am pleased as we celebrate our 50th birthday to be able to report on a successful year in 2017-2018.



Mike Hinch
Group Chief Executive

Although we have been faced by a tough operating environment, including the ongoing impact of the Government's cuts to social rents, which will impact on our income until 2020, we have maintained an active development programme and continue to be one of London's major providers of new affordable homes.

We are set to complete 300 new homes in 2018-2019 with a further 800 currently in development across north and east London. Through working innovatively with our local authority partners in some high value areas we have been able to find ways of increasing the numbers of social and intermediate rent homes we are providing. We also continue to provide new high specification supported housing, including home ownership options for people with long-term disabilities.

Successful partnerships with contractors, local authorities, residents, community groups and lenders are a key part of being able to provide and maintain affordable housing. I would like to take this opportunity to express my thanks to the many organisations we work with for your continuing support and to welcome RBS as a new lender helping us to provide the funding needed to develop new homes for people in housing need.

Our residents' safety is of prime importance and in the past year we have adopted a new asset management strategy, significantly increasing our investment in health and safety and maintaining our stock. One example of this is that where appropriate we now carry out very rigorous and intrusive Fire Risk Assessments, resulting in more follow-up actions, but helping us to ensure the safety of our housing and residents.

We are committed to engaging with residents to shape and provide the services they need. We will look forward to celebrating their achievements as part of our 50th anniversary Star Awards this autumn. As well as formal routes for engagement I am proud that 10% of our current workforce is made up of our residents. This provides both employment and a real stake in our day-to-day provision of services.

There are clear parallels between today and the late 1960s when the huge demand for decent and affordable housing and the public outcry triggered by the TV play *Cathy Come Home* led to our foundation and that of a wave of other social housing organisations in London.

From the first two houses we bought in Hackney in August 1968 to 8,000 homes today, ours is a good story, well worth telling. I hope you will find our report on the last year and the review of our 50 years interesting and thought provoking.

Chair's report

As Chair, I am delighted to report that we celebrate our 50th year in good shape and with every confidence that the next 50 years will be as successful as the first.

One of the key tasks for the Board during the year was to review progress at the midway point of the 10 year vision we set ourselves in 2012-2013.

The main priority we set was to keep providing new affordable homes to help meet the needs of local people. We are performing well against our aim of providing 2,000 new homes by 2023 and we have now increased this target to 2,100. The Board also approved a longer term development strategy to deliver 300 new affordable homes each year from April 2023 onwards.

I am pleased that despite the challenging operating environment we were able to deliver a healthy surplus in 2017-2018 to reinvest in developing new affordable homes, maintaining our stock and improving services for residents.

In order to be able to invest more in providing new affordable housing we are progressing with our first ever private sale homes, as part of landmark developments in Haringey and Waltham Forest. We are also taking part in our first Joint Venture, the profits from which will be reinvested in the development of further new affordable homes.

As well as building new homes we are increasing investment in our asset management strategy, focusing on development of digital services and launching a new self-service portal for residents. This is part of our commitment to improving services.

I am proud that in the last year we have been shortlisted for major national awards for the work of our Income, Communications, Community Services and Sales teams. We won the award for best Development Team at Inside Housing's Development awards and are shortlisted for Employer of the Year in the Women in Housing Awards. We were also ranked 10th nationally in 24housing's ranking

of the top social landlords for 2018. These successes reflect our commitment to providing excellent services and meeting the needs of our residents.

Following an In-Depth Assessment by the Regulator of Social Housing in the first quarter of 2018 we were awarded a G1 rating for governance and a regrade to V2 for viability. The regulator was complimentary about our approach to governance and we are pleased that we have retained our excellent G1 rating. We understand the reasoning behind our viability rating and remain committed to maximising our development of new affordable homes and investing in the maintenance of our stock.

We believe that we have the strategies in place to manage any material risks and that coupled with our strong approach to governance we will be able to continue to safely meet our business plan targets. I am confident we will enjoy a successful 50th year and many more successful years ahead.



Sarah Ebanja
Chair of the
Newlon Board



Opening of Doubleday Court



Alma Estate (CGI)

Developing new affordable homes

A map that started in Hackney now spreads across north and east London

From our first homes in Hackney in 1968 to today we have spread out to provide affordable housing in boroughs across north and east London. Our ambitious development programme sees us developing new homes in many of these boroughs and this section maps out the highlights of a number of our current schemes.

We are ahead of our 10 year vision target and for the first time have diversified our development programme to include a small number of homes for private sale and a Joint Venture. These activities will enable us to raise additional funds to invest in developing new affordable housing. We have also launched Newlon Living, a new identity for our homeownership team, as part of our preparation to sell homes on the open market.

We are currently working on a number of landmark schemes with 300 homes due to be handed over in the current year.

Starting in the east, the new residents of the Lord Napier development, built on the site of a former disused pub just a few minutes' walk from Goodmayes Station, will soon be able to clink glasses and say 'cheers'. This attractive scheme, which will be completed this autumn, provides 31 new homes in a mix of rented and Shared Ownership housing.

New homes in development at Lord Napier

Moving westwards we arrive in Aldgate on the boundary with the City of London, where some of the country's highest land values are found. At the Goodman's Fields development private apartments are on sale for between £750,000 and £2million as part of a large-scale regeneration project which includes two acres of landscaped gardens, a new cinema and a range of health and leisure facilities. This is the kind of area where local people in housing need can be excluded by high values. Not here though, as at Goodman's Fields we are providing a mix of 171 rented and Shared Ownership homes, including 53 larger social rented homes for family accommodation. To be able to provide these homes in such a high value area is important for local people.

A few miles north from Goodman's Fields is another landmark location, Dunedin Road, in Waltham Forest, which stands at the gateway to the Olympic Park. Here our attractive brick clad 16 storey tower Siskin Apartments will offer stunning 360 degree views of the London skyline. At Dunedin Road we will be providing 84 homes, including 12 for private sale. As well as Siskin Apartments the development includes lower rise family housing and is due for completion in early 2019.

Situated a stone's throw from Dunedin Road is Doubleday Court a new state of the art scheme for 12 adults with learning disabilities. Residents moved in during spring 2018 and came from shared living accommodation in Waltham Forest. They are now able to live more independently in their own flats with 24/7 care and support in housing designed to meet their long-term needs. Doubleday Court benefitted from funding from the Mayor of London's care and support special housing fund and as well as spacious high specification homes the design features generous internal and external communal space. In addition two of the homes are provided as part of the HOLD (Home Ownership for people with Long-term Disabilities) scheme. Newlon and Outward are among the very few organisations nationally to offer HOLD housing. In this instance it is allowing two younger residents the opportunity to have the long-term security of owning their own home and the flexibility to live independently with a minimum level of support or to be able to take advantage of the services available at Doubleday Court.



Dunedin Road (CGI)



Goodman's Fields



Goodman's Fields

Continuing our journey by heading west we arrive at Selsea Place in Hackney where we have recently completed 16 homes in the heart of bustling Dalston. It seems fitting that we have recently provided new homes in the borough where our journey began in 1968. Hackney, perhaps more than any other area, has seen house price inflation in recent years making affordability really difficult for local people and the economics of delivering social rent homes very challenging. We are therefore really pleased that the local authority has been able to provide additional funding to ensure that rents at Selsea Place can be set at social rather affordable rent levels. This saves residents around £400 a month and makes the average rent for a family home £820 a month compared to current private rent of £1,800 for comparable accommodation.

Four miles almost directly north from Dalston is Tottenham Hale, until recently a largely drab post-industrial backwater with high levels of deprivation. Since 2011 the area has been transformed by the Hale Village regeneration project, in which Newlon was a major partner. This has brought high specification affordable and private housing, health and community facilities and new jobs to the area, creating a thriving and award-winning urban village delivered through a unique public, private and charitable development partnership.

A second phase of major regeneration is now underway to develop a new town centre for Tottenham Hale, which will bring 2,000 new homes and a range of education, leisure and retail facilities, leading Tottenham Hale to be described as 'London's next great centre'. In this next phase we will be providing at least 200 new affordable homes at three main sites including 44 at Hale Works, a new development sited next to our Group HQ at the entry to Hale Village, 128 at Station Square West, with 11 of these for private sale and 54 at Monument Way. Within three years the centre of Tottenham Hale is set to be transformed and this corner of north London has the potential to be one of London's great urban centres.



Doubleday Court



Selsea Place



Camden Road



Station Square West (CGI)



Alma Estate (CGI)



Kidderpore Avenue (CGI)

Further north in Enfield we are currently working as part of a partnership on the regeneration of the Alma Estate and have recently completed newly redeveloped accommodation for adults with low-level learning disabilities in Linwood Crescent.

Finally, on our journey across the capital we arc southwest until we arrive in Camden. Residents have now moved into our new development of 82 homes on Camden Road. This attractive scheme modelled around residential courtyards includes a large communal roof garden and an energy centre to help provide affordable and sustainable energy for residents. Like Hackney, Camden has been hugely affected by recent increases in house prices and land values, with the average private sale value of a home now over £1 million. This risks pushing all but the genuinely wealthy out of the borough and making it impossible for the people who provide the services we all rely on to live within easy reach of where they work. Camden Road is part of a larger development and we are



Hale Works - Ferry Lane (CGI)

proud that through working with the local authority we were able to ensure that 50% of all homes developed here are affordable. We also worked with the borough on their strategy to provide more intermediate rent homes altering the tenure mix at Camden Road to reflect this.

Our last stop is at Kidderpore Avenue where we are entering into the third phase of development straddling either side of this attractive and historic street tucked away behind Finchley Road. Hampstead Manor is another high profile, high value development where we have been able to secure 31 new affordable homes with 25 for rent and six for Shared Ownership.

Although this whistle-stop tour does not encompass all of our current development programme, we hope that it has given you a flavour of the challenges and variety of sites involved in developing new affordable homes in London and our success in continuing to meet these challenges.

Community Services

Supporting households in need

Our award-winning Community Services team works with residents to support them into employment, provide financial help and advice, and run a range of local community activities.

The team supports residents who:

- Are seeking work or are employed part-time and looking for full-time work.
- Are interested in training or developing new skills.
- Need help with finances and debts, including rent arrears.
- Want to take part in health and wellbeing activities in their community.

Thousands of residents benefitted from our services in the past year for which the team was shortlisted for the UK Housing Awards and the TPAS 'Excellence in Community Action' award.

Providing welfare benefits and financial advice

The team helps residents through difficult financial times by providing advice and support or referral to specialist agencies. This year was a challenging one with a major shift in how welfare benefits are delivered with the rollout of Universal Credit. This has put added pressure on hundreds of our residents who need additional support to access the benefits they are entitled to.

In the last year our in-house Benefits Advisor supported 144 Newlon residents, securing over £85,000 in welfare benefits, including backdated and ongoing housing benefit. This service works closely with our Income Recovery and Lettings teams to help residents to maintain their tenancies and focus on early intervention to deal with financial problems before they become too severe.

The team also supports residents who face challenging circumstances through an externally funded 'Hardship Fund'. Funds are provided by the SPH Friends charity and in the last year over £30,000 was distributed to provide household items to many families and individuals – helping them to furnish their homes. Overall funding for 2018-2019 has been increased to £60,000.

Looking ahead plans are in place to launch two pilot programmes for money management and digital training. These will support residents with accessing online services and benefits, and in budgeting and managing debt.

Employability support

Our employment programme tackles barriers to gaining work and provides access to hundreds of training and job opportunities. It also offers valuable work placement experience, and opens up routes to a range of careers. The support we provide includes face-to-face advice and referrals to training and employment services.

By the end of the programme our aim is to get people to a position where they can successfully find work. In the past year, over 130 residents registered for our employment pathway services, with 50 gaining employment, 85 accessing training, and 19 taking part in work placement and apprenticeship opportunities. We are also proud that over 10% of Newlon staff are residents.

Community facilities and health and wellbeing programmes

The team manage two vibrant local halls in Islington and Tower Hamlets for residents and community members to take part in health and wellbeing programmes and other activities. There were more than 3,000 visits by our residents to these spaces in the last year.

Over the past two years we have worked with a group of residents and volunteers from the Barnsbury Estate and the wider local community in Islington to launch a range of new services from the Barnsbury Community Centre. As a result we have:

- Re-established the Centre as a thriving hub at the heart of the local community.
- Provided a new, inclusive community garden for residents and local people.
- Provided a range of training and employment opportunities for local residents, including employment skills, computer training and jobs fairs.
- Encouraged local people to have healthy lifestyles and reduce instances of social exclusion.



Employment support case study

Newlon resident, Maite, has been on an interesting journey to find work. Born in Paris, she moved to London as a teenager and in April 2017 she attended a Newlon jobs fair as she was looking for employment support. Paula, our Information, Advice and Guidance Officer suggested that Maite undertake work experience with her, where she carried out a range of duties including registering new clients, setting up online courses and managing hardship funding. She also signed up for a course in Information, Advice and Guidance.

Maite received helpful guidance from Paula and currently works for an international rail company where she has progressed to become a team leader.

celebrating



years



celebrating
50 years

A good story - worth telling

Of course in an ideal world there would not be a shortage of affordable housing and perhaps organisations such as ours would not need to exist. However, reality is rarely perfect and that a locally based organisation can grow from having two houses in 1968 to 8,000 homes today, providing housing for over 30,000 people, is a major achievement and a good story, worth telling.

In the last 15 years alone our stock has doubled in size despite the considerable challenges inherent in developing in London, including high land values and the need to redevelop often constricted brownfield sites in already densely populated areas.

Today we employ 150 staff, work across north and east London and together with Outward, our care and support subsidiary, our group employs more than 600 people. We have delivered groundbreaking regeneration schemes at Arsenal and Hale Village, transformed communities and restored an iconic Edwardian Town Hall in Tottenham. We manage the Barnsbury Estate in Islington in partnership with residents and we provide a wide range of supported housing, run award-winning community programmes and are consistently one of the main providers of new affordable housing in London.

A record we can truly be proud of.

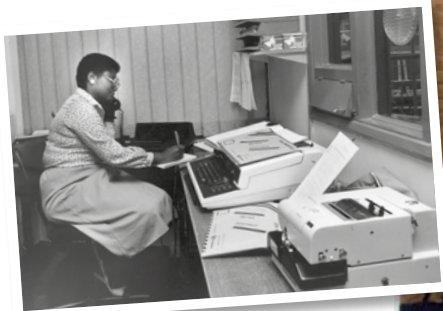
Our roots

In Hackney in the second half of the 1960s there was a severe shortage of affordable housing, lengthy waiting lists and the widespread spectre of homelessness. Action needed to be taken. Philip Blairman and colleagues from the New London Synagogue decided to set up a housing association to help local people find decent and affordable homes. Newlon formally came into being as an Industrial and Provident Society on 13th February 1968.

We bought our first two houses in Amhurst Road and Evering Road in Hackney in August 1968 to refurbish and convert into flats to let at affordable rents and the first residents had moved in by December of that year. Both houses were bought for a total of £10,500. We still own both these houses today and if we were to sell them by contrast to 1968 they would probably be worth £1 million and £2 million respectively.

Newlon quickly expanded, moving to our first offices at 1 Stamford Hill and appointing a full-time manager. It was at these offices in 1971 that Sue Jones, who worked for us for the next 45 years joined from a solicitor's firm in the same building. At the time we had six homes and she was the fourth staff member.





What was going on in the late 1960s?

In 1957 Prime Minister Harold MacMillan declared 'you've never had it so good' and by 1968 London was at the epicentre of the 'swinging sixties', yet precisely at this point a number of London housing associations including Newlon, Notting Hill, Wandle, Hyde, Catalyst and Genesis were founded, as were the campaigning anti-homelessness charities Crisis and Shelter. What exactly was going on?

The BBC TV play, *Cathy Come Home*, first broadcast in November 1966 is credited with highlighting issues that were not then widely discussed in popular media, such as homelessness, unemployment and the rights of mothers to keep their own children. It was watched by 12 million people – a quarter of the UK population at the time. Its hard-hitting subject matter and highly realistic documentary style, new to British television, created a huge impact on its audience.

What was the cause of the shortage of homes in London?

Over a million homes are estimated to have been destroyed or damaged in London during the Second World War. Combined with the post-war baby boom and the large-scale slum clearance programmes of the 1950s and 1960s this led to a serious shortage of affordable and decent housing, with many people living in homes unfit for habitation.

One issue covered in *Cathy Come Home* and raised by organisations such as Crisis and Shelter is that local authorities prioritised moving people into new accommodation who lived in the areas chosen for slum clearance. This left many people who were not officially homeless living in often uninhabitable accommodation that was not part of the clearance programme. The newly set up housing associations helped to fill this gap.

1968 versus 2018

Although London has undergone massive regeneration since the late 1960s and the overall standard of accommodation and tenants' rights have improved significantly we are still faced by a massive demand for affordable housing.

This is driven by the shortage of land available for development for affordable housing, the massive recent rise in land values and the significant increase in housing costs compared to income.

For example recent research by the National Housing Federation shows that in Hackney the average price to buy a property is £600,000, while typical private rents are £1,800 a month compared to average annual household incomes of £32,848.

This means that private rents are 80% of average disposable household incomes. As a result 35% of working families in the borough claim housing benefit. About 3,000 of the people on Hackney's housing waiting list are homeless families in temporary accommodation. This number has tripled in five years and continues to rise.

This picture is repeated across London boroughs and once again we face a period when there is a massive demand for affordable housing which needs to be met.





1969
Concorde, the world's first supersonic airliner, makes its maiden flight

The 1960s

Philip Blairman and members of the New London Synagogue set up a housing association with the aim of acquiring suitable Victorian houses and converting them into flats to let at low rents.

1968

Newlon Housing Trust is founded in February and buys its first two properties, 163 Eving Road, N16, and 68 Amhurst Road, E8, for a total of £10,500, (we still own both these properties).

1969

We employ our first full time member of staff and move into our first office at 1 Stamford Hill.



The 1970s

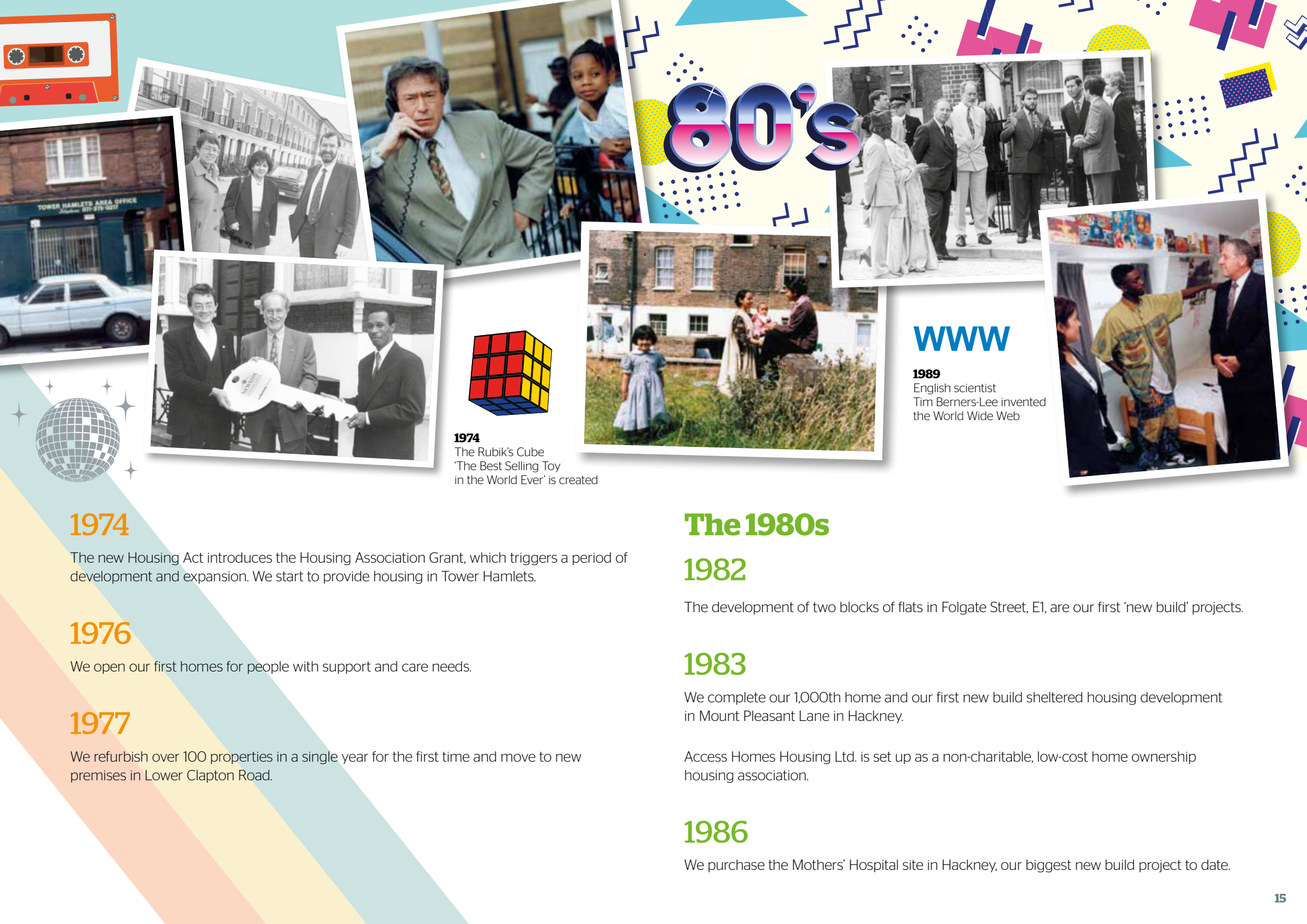
During the 1970s we initially grew by continuing to buy and renovate mainly Victorian street properties and converting them into flats to let at affordable rent.

1972

Our 100th home is brought into management and we move into larger offices at 195-199 Stoke Newington High Street.

1973

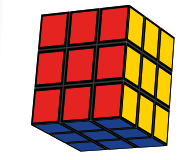
We start our first developments outside Hackney at Bounces Road in Enfield.



80's

WWW

1989
English scientist
Tim Berners-Lee invented
the World Wide Web



1974
The Rubik's Cube
'The Best Selling Toy
in the World Ever' is created

The 1980s

1982

The development of two blocks of flats in Folgate Street, E1, are our first 'new build' projects.

1983

We complete our 1,000th home and our first new build sheltered housing development in Mount Pleasant Lane in Hackney.

Access Homes Housing Ltd. is set up as a non-charitable, low-cost home ownership housing association.

1986

We purchase the Mothers' Hospital site in Hackney, our biggest new build project to date.

1974

The new Housing Act introduces the Housing Association Grant, which triggers a period of development and expansion. We start to provide housing in Tower Hamlets.

1976

We open our first homes for people with support and care needs.

1977

We refurbish over 100 properties in a single year for the first time and move to new premises in Lower Clapton Road.



90s



1997
The first instalment in the Harry Potter series is published



1996
Dolly the sheep was the first cloned mammal ever to be created from an adult cell



2000
The world celebrates the turn of the millennium

The 1990s

1990

Mothers' Square is opened by HRH Prince of Wales.

1992

We complete our first Shared Ownership scheme at Limehouse Basin, E14. The £2.5 million development comprises 42 homes, many overlooking the River Thames.

1996

We move to a purpose-built head office in Hoxton Street.

1997

We are awarded Investor in People status for the first time. We now hold the coveted Gold accreditation.

1999

Residents of the Barnsbury Estate in Islington vote for a stock transfer to Newlon. The Estate is subsequently managed by us in partnership with BELMO, a tenant management organisation. A programme of major works is carried out to refurbish the Estate.

2000s

The new millennium starts with the creation of our ongoing partnership with Outward and sees a major step up in the level of our development activity when we are chosen to be part of the Arsenal Regeneration Programme, one of Europe's largest regeneration projects.



2001
Apple introduces the ipod



2010s



2012
The Summer Olympics are held in London



2000s



2004
Facebook is launched



2001

Outward, our specialist care and support partner, which was founded in Waltham Forest in 1975, joins the Newlon Group. Today Outward works with more than 1,000 vulnerable adults.

2003

We sign up as the lead housing association partner in the 'Arsenal on the move' regeneration project. Initial plans were to provide 439 affordable homes around the club's former Highbury stadium. In fact we now have 1,500 homes in the Arsenal Regeneration Area, perhaps the only regeneration project on this scale to have delivered 50% affordable housing.

2005

Hornsey Street 5-7, the first part of the Arsenal Regeneration Programme is completed, providing 300 new homes for Key Workers.

2010s

2011

We move to our new Group HQ, forming part of the Hale Village Regeneration scheme at Tottenham Hale.

2012

All of our housing at Hale Village is completed, providing 542 new affordable homes in a mix of tenures.

2013

Works are completed on the renovation of Tottenham Town Hall and Isobel Place, helping to regenerate Tottenham Green.



2014

Works are completed at Queensland Road, the last part of the Arsenal Regeneration Programme, where we provide 352 homes adjacent to Emirates Stadium.

2015

Cannon Road in Tottenham, a major regeneration project on the site of a derelict rubber factory, is completed. The site provides 222 new homes and a school developed in partnership with Spurs.

2017

We enter into our first ever Joint Venture to raise funds to invest in providing new affordable homes.

2018

We celebrate our 50th anniversary.

The future shape of London...

Since 1968 the shape and demands of the housing market in London have changed significantly. Affordable housing now includes providing accommodation for Key Workers and working people on lower to middle incomes who are potentially priced out of local housing, especially in terms of home ownership, as well as those on local authority waiting lists or with care and support needs.

We know that we need to work harder than ever to keep meeting this demand in London's complex and fast-changing world. For the first time we are developing a small proportion of private sale homes so we can reinvest the profits into affordable housing and we have entered into a Joint Venture for the same purposes. We also know that the landscape will continue to change. Perhaps the future of London will be less high rise than seemed likely until recently following the tragedy at Grenfell Tower. What we can be certain of is that after 50 years of supporting the housing needs of local people in north and east London we are in good shape to be part of this great city's future.

Outward – celebrating care and support for communities and individuals

During 2017/2018, Outward, Newlon's specialist care and subsidiary delivered essential services to over 1,000 people. These included people with learning disabilities, autism, mental health issues, young people at risk and those who require support due to age.

In addition Outward's Volunteer and Befriending services have benefitted a significant number of people facing isolation or loneliness by recruiting and supporting over 200 community volunteers who provided more than 25,000 hours of their time for others.

New homes - new lives

Recognising the impact of good quality housing on a person's wellbeing has been a driving force for the work of Outward over the last year.

Through working closely together Outward and Newlon have provided a new supported living scheme in Waltham Forest for adults with a learning disability or autism. Doubleday Court which opened in March 2018 provides 10 high specification flats for rent and two for Shared Ownership through the HOLD scheme. The accommodation gives people who previously lived in small shared houses the chance to have their own flats and privacy, while living alongside friends and socialising when they choose to.

In addition the reconfiguration of Church View, a former care home, also in Waltham Forest, to provide a modern, supported living home with en-suite wet rooms has provided a new start for five women with a learning disability and reduced mobility. They are now able to maintain their independence and continue to live with their friends in a shared supported home, which had been their wish.

Newlon has also worked with Outward to provide reconfigured and upgraded housing for people with a learning disability in Linwood Crescent in Enfield. In the coming year Outward will



Church View



Doubleday Court opening



Outward choir in action

continue to focus on ensuring people's living environments are of a good standard and meet their needs.

Working in partnership to promote wellbeing

Throughout 2017 Outward's Volunteer Club, a group of people with a learning disability and/or autism, maintained their enthusiasm and commitment to their local communities through environmental volunteering work.

During the year the group worked in partnership with The Paint Place, Green Gym and the Canal & River Trust to deliver on their volunteering commitment. One of the most popular and worthwhile projects has been with The Paint Place, a recycling project that recycles used or unwanted paint and resells it to support communities.

Volunteers in Enfield made a great difference to their own health and wellbeing and the local environment through working to clean and clear canal and river ways and woodland by volunteering with the Canal & River Trust.

Outward has continued to work with the people it supports to design and deliver a range of leisure and social activities to reduce social isolation. These have included drama, art and music groups, a choir, a new football team in partnership with Vallance Community Sport Association and a Tower Hamlets based social club developed in partnership with Newark youth charity.

Outward's focus in the coming year is to continue its drive for improved wellbeing among the people who use its services. In 2018/2019 Outward will be developing and delivering more high care services in both profound and multiple learning disabilities, as well as services to people on the autism spectrum. Social activities and community engagement are important to all the people Outward support and a priority is to recruit more volunteers to help people feel part of their community and engage in local activities.

Residents at the heart of what we do

We aim to provide excellent services and to fully involve our residents in helping us achieve this, through engaging with us in a range of formal and informal ways. These vary from one-off involvement, such as filling in surveys or taking part in community events to reviewing our performance and making decisions through joining groups such as our Residents' Forum and Scrutiny Panel.

Our Resident Involvement team works throughout the year to engage and involve residents to make sure their voice is championed in all our decision making. Highlights of the resident involvement programme in the last year include a significant increase in the number of residents directly involved with us. This included:

- Quarterly independent telephone surveys to measure residents' satisfaction.
- 330 residents from eight schemes taking part in surveys about where they live and the services they pay for. Feedback from these surveys allowed us to make changes to the services and facilities we provide.
- 29 of our most involved residents undertaking training to improve their skills and give them more confidence in their contributions. They took part in a range of e-learning, conferences, workshops and external courses which were tailored to their development needs.
- The Complaints Panel, which is made up of residents, worked with us to review our complaints process. They highlighted that learning from complaints could be improved. As a result we are collaborating together on developing a better way of recording learnings from complaints to ensure these are put into practice.
- Promoting awareness of the work of our Scrutiny Panel as part of our staff induction. This will help to ensure our employees understand the role of residents in reviewing and reporting on the services we provide for them.

- Supporting residents to set up community groups ranging from formal residents' associations to more informal or socially based organisations. After feedback from some local residents' groups we developed a route for them to make joint complaints about issues using our existing complaints process, so that common problems can be resolved more effectively.
- Residents' Forum members presented their ideas to Newlon about energy efficiency and sustainability initiatives. One of these is feeding into the development of the Community Services team's 'money management' pilot programme, which will provide debt advice and energy poverty support to residents. We are also investigating other ideas about energy deals and access to savings programmes for residents.
- Our repairs contractor Wates and the Dulux Painting Centre put a Scrutiny Panel recommendation into action and organised a painting workshop for residents. Participants were taught the basics of painting inside their homes through a combination of theory and practical experience.

Nefateri, who took part with 10 other residents, said:

"My favourite part was learning about the importance of undercoating your painting, as this gives a much more professional finish. If I hadn't received this information I would have just painted over the top of what I already have in my home."

- We partnered with other housing providers to offer a wide range of free training courses for residents living in Tower Hamlets including in IT, DIY and health and safety.
- Our work in engaging and involving residents was recognised through being shortlisted for a TPAS award for Excellence in Community Action.

Residents' Forum agreement signing



Dulux painting course

A sharp focus on safety

The terrible tragedy at Grenfell Tower has re-focussed our ongoing commitment to maintaining residents' safety and ensuring we maintain our stock to the highest standard.



Estate Inspectors carrying out daily health and safety checks

One aspect of providing housing in London is that almost 90% of the homes we provide are flats, spread across more than 500 blocks, of which around 40 are officially deemed high-rise.

To meet the needs of managing these buildings we are investing heavily in carrying out Fire Risk Assessments (FRAs) as well as all gas, electrical and water safety checks and we have a dedicated team working in these areas.

Following Grenfell we have decided that FRAs will be conducted to a higher level than previously. This involves more intrusive inspections which will allow us to check hidden fire stopping and the construction of buildings.

This is resulting in more follow up actions, but we are confident this will ensure the safety of our residents and buildings and the Board have approved an increase in spending in this area.

To back this up we are putting in place a fire safety training strategy. This will determine the training and qualifications that staff need according to the requirements of their role, which could range from professional qualifications at a senior level to awareness courses for Estate Inspectors.

Combined with our strategic emphasis on meeting the highest health and safety standards we have increased investment in maintaining our stock and during 2017/2018 stock improvement works were carried out to over 800 homes, just over 10% of all our housing. In addition we commenced works on a major £1.5 million lift renewal programme at the Barnsbury Estate in Islington.

Looking ahead the Board has approved a five year capital programme which will almost double annual spending on stock improvement. This programme will see large-scale investment in new kitchens and bathrooms, electrical and heating systems, new windows and doors, as well as roofing, door entry systems and building structures. Over the coming year we will be prioritising fire safety works and our electrical testing programme.

Value for money is a major consideration and a feature of this capital programme is the concept of 'invest to save', prioritising works to the key areas of windows and doors, electrical safety works and boiler replacements. These will bring direct benefits in reducing long-term painting and repair costs as well as improving energy efficiency and minimising living costs for residents. Investment in these areas will also improve the safety of residents' homes as well as maintaining our housing to high levels of decency.





Camden Road Roof garden



Jobs Fair



Jeremy Corbyn visits Barnsbury Community Garden

Our performance – Newlon in numbers

Group stock numbers 2017/2018

Social rent	3,836
Affordable Rent	245
Low cost home ownership	1,731
Supported housing	803
Intermediate rent	1,128
Other	104
Total	7,847

Providing new affordable homes

As of 31st March 2018 we had 878 new homes in our development pipeline which will soon provide much needed new affordable housing for north and east London.

Reducing our arrears

At the year end our overall arrears were 2.82%, continuing our year on year success in this area

Overall arrears as percentage of rent due:

2015/2016	3.55%
2016/2017	3.07%
2017/2018	2.82%

We are proud of this performance during a period of welfare benefit reforms.

Improving lettings

Our performance times for re-letting void properties has improved to **15 days** for 2017/2018 for social and affordable rent housing from 26 days in 2016/17 and to **15 days** for intermediate rent homes from 16 last year. These figures are amongst the best in London for re-letting vacant properties.

Residents' satisfaction

Tenant satisfaction rose slightly to 73% as measured for our sector scorecard. Improving services for residents and their overall satisfaction is one of our key strategic aims.

Maintaining and improving homes

More than 800 homes have received stock improvement works during 2017/2018 – doubling the previous year's programme. This included:

- 306 new boilers installed.
- 204 properties received new uPVC windows and doors, improving energy efficiency and reducing day to day and long-term maintenance costs.
- 44 properties had their roofs recovered, upgrading 40 year old flat roofs with no insulation to new three layer felt systems significantly improving energy efficiency.

Community Services – supporting residents

- Our in-house welfare benefits adviser supported 144 households to secure over £85,000 in welfare benefits to help maintain tenancies.
- There were more than 3,000 visits to our Community Centres by Newlon residents.
- 154 residents gained employment, accessed training or took part in work placement and apprenticeship opportunities.

Recognition for our work

Inside Housing Development Awards

Winner for Best Development Team.

24housing magazine's top 50 landlords

Ranked 10th nationally.

Housing Design Awards

Winner of GLA award for Camden Court.

UK Housing Awards

Shortlisted for Outstanding Approach to Income Management.

TPAS Awards (southern regional finals)

Shortlisted for Excellence in Community Action.



Church View



Hillman Court



Islington Bangladeshi Association at the Barnsbury Community Garden

Introduction to the Summary Financial Statements to 31 March 2018

Operating Activities

The Financial Statements show a good performance for the year within an uncertain economic environment. Group turnover has decreased by 19% from £93m to £76m due to a one off income received during 2017. Adjusting for this, the turnover was 3.9% up on last year. Operating costs plus cost of sales were £52m, a £2m increase on previous year. This was substantially due to the impact of increased fire safety expenditure in the wake of the Grenfell tragedy.

The surplus on housing property sales was £7m, £1m higher than the previous year, reflecting an increase in the number of units sold compared to last year.

The Group's operating surplus for the year was £31m and the operating margin was 41%. As expected, the operating margin has decreased from 54% during the previous financial year due to the impact of the one off income item and the increase in fire safety expenditure.

The total operating income includes income from social housing lettings which comprises general needs, supported, Shared Ownership and Key Worker housing. The social housing lettings income decreased by 3% to £59m and the operating margin decreased by 5% to £23m. These changes are mainly due to an increase in maintenance spend and a decrease in service charge income.

Interest payments at £13m decreased by £2m compared with the previous year, largely as the result of more interest costs being capitalised in relation to development schemes. In addition, interest rates have remained low and Newlon's most variable loans have continued to benefit from the low short-term LIBOR rates.

In summary, the Group continued to perform well and generated a healthy financial surplus, enabling continued investment in our existing properties and services and in providing new affordable housing.

Funding and Assets

The Group continues to develop new properties for rent and also for Shared Ownership. There was a total investment of £74m in new housing properties during the year, and disposals of £14m. The net book value of housing properties was £1,022m at year end, an increase of £62m from the previous financial year.

The total Group cash, including investments, was £33m, a decrease of £10m over the year as a result of the investments described above. In addition, there were undrawn facilities totalling £75m at the year-end which were fully secured and available for drawn down as required.

Key Financial Ratios

In line with our banking covenants the key financial ratios of gearing and interest cover relate to Newlon Housing Trust only.

As reported in our Financial Statements the gearing ratio at the year-end was 50% (against a maximum limit of 65%) and the interest cover ratio was 205% (against a minimum limit of 110%).

Surjit Dhande Group Finance and Resources Director

Consolidated statement of comprehensive income

Year ended 31 March 2018

	2018	2017
	£'000	£'000
Turnover	76,034	93,467
Cost of sales	(1,534)	(2,451)
Operating costs	(50,348)	(47,114)
Surplus on disposal of fixed assets - housing properties	7,235	6,416
Operating surplus	31,387	50,318
Surplus of sale of other fixed assets	23	52
Other interest receivable and similar income	93	199
Interest and financing costs	(13,120)	(15,031)
Movement in fair value of investment properties	50	83
Other finance costs	-	-
Surplus before taxation	18,433	35,621
Taxation on surplus	(85)	(74)
Surplus for the financial year	18,348	35,547
Movement in fair value of hedged financial instrument	1,710	(360)
Total comprehensive income for year	20,058	35,187

Statement of financial position

at 31 March 2018

	Group 2018	Group 2017	Association 2018	Association 2017
	£'000	£'000	£'000	£'000
Fixed assets				
Tangible fixed assets – housing properties	1,021,569	959,765	1,008,911	946,393
Tangible fixed assets – other	9,135	9,354	8,785	8,853
Investment properties	1,750	1,700	-	-
Investments	111	-	-	-
	1,032,565	970,819	1,017,696	955,246
Current assets				
Properties developed for sale	17,469	14,246	17,469	14,246
Debtors – receivable within one year	5,906	7,179	10,126	4,751
Debtors – receivable after one year	6,929	-	-	-
Current asset investments	6	5,000	6	5,000
Cash and cash equivalents	32,701	37,275	24,320	28,405
	63,011	63,700	51,921	52,402
Creditors: amounts falling due within one year	(34,767)	(29,887)	(32,312)	(27,175)
Net current assets	28,244	33,813	19,609	25,227
Total assets less current liabilities	1,060,809	1,004,632	1,037,305	980,473
Creditors: amounts falling due after more than one year	(921,838)	(885,719)	(910,841)	(874,020)
Provisions for liabilities and charges	(25)	(25)	(25)	(25)
Net assets	138,946	118,888	126,439	106,428
Capital and reserves				
Called up share capital	-	-	-	-
Designated reserve	1,752	1,752	-	-
Income and expenditure reserve	148,063	129,648	137,354	119,053
Cashflow hedge reserve	(10,915)	(12,625)	(10,915)	(12,625)
Restricted reserve	46	113	-	-
	138,946	118,888	126,439	106,428

Board members



Sarah Ebanja
Chair



Matt Campion



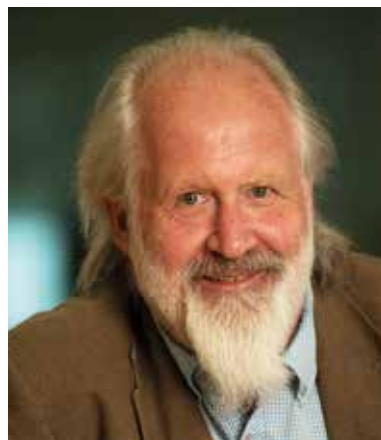
Nicola Bastin



Martin Hughes



Maria Grogan



John Cross



Jackie Ballard
Vice Chair

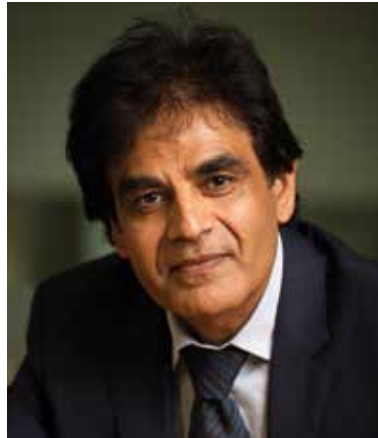


Fred Angole

Executive team



Mike Hinch
Group Chief Executive



Surjit Dhande
**Group Finance &
Resources Director**



Peter Little
**Group Director Supported
Housing and Care**



Caroline Pennock
**Business Development
Director**



Mark Newstead
Property Services Director



Bill Henderson
Housing Services Director

Newlon is committed to sound corporate governance and has adopted the National Housing Federation (NHF) Code of Governance 2015 and Code of Conduct 2012.

Newlon has two instances of non-compliance to declare:

From 2016/2017 one Board member, Steve Hitchins, remained on the Board for a tenth year, based on legal advice. The regulator was informed of this and Steve stepped down from the Board in September 2017.

The second instance occurred in our Annual Financial Statements for 2016/2017 where we omitted to note Steve's additional tenure on the Board.



Newlon House – 4 Daneland Walk – Hale Village – London – N17 9FE

T: 020 7613 8000

E: customerservice@newlon.org.uk

www.newlon.org.uk

Newlon Housing Trust is a charitable housing association

Group Chief Executive: Mike Hinch Chair: Sarah Ebanja

Newlon Housing Trust is a Community Benefit Society, company no. 18449R, registered with the Regulator of Social Housing no. L0006, HMRC charity reference no. EW91301, VAT registration no. GB778532683.

Access Homes is a Community Benefit Society - company no. 24992R, registered with the Regulator of Social Housing SL3605.

Outward Housing, trading as Outward, is a company limited by guarantee - company no. 02151434, registered charity no. 800529.

Newlon Fusion is a company limited by guarantee - company no. 04000022, registered charity no. 1119673.

NewlonBuild Ltd is a private limited company no. 07884092.

Finsbury Park Homeless Families Project is a company limited by guarantee - company no. 2879813, registered charity no. 1030970.

NewlonInvest is a private limited company - company no. 09492006.

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