

# Embrace the Changing Sector



Our 'we can' spirit is more important now than ever

Resilience

North London Muslim Housing Association  
Annual Report 2015 - 2016

# From the Chair

## Ismail Yusuf



*We can stay  
with our vision*

We continue to perform well and have yet again produced a healthy surplus in times when the going is tough. Whilst the Lea Bridge Road project is ongoing and negotiations for a new block near the NLMHA offices are about to be concluded, we continue to search for new properties to invest in; amongst other things, to realise the vision of owning over 1,000 units by 2017.

Whilst being a provider of 1,000-plus units of accommodation will place the organisation under different regulatory standards, I believe that we are capable of meeting those standards given the continued dedication of our staff and Board Members.

It remains incumbent on the Association to ensure that we have Board members who are both able and committed to the organisation. The present Board

continues to work well together, is committed to the organisation and has the skills to take the organisation forward. However, many of us are required to step down and give others an opportunity to bring their vision, experience and skills to the Board. I therefore ask that those of you who do have those visions, skills and experience to come forward and make an effort to join the Board and help take the organisation and the community to a different level.

During the year there have been 'life changing' events, not least the election of a Muslim Mayor of London with a keen interest in providing increased social housing for London, but also the vote to leave the EU, the effect of which has not yet been fully realised in terms of how the economy and future house building will be affected. We will also

need to factor in the fact that the Social Housing Grant is to cease as from 2017, thus requiring the Association to find more funds to fund its projects. There are, therefore, many challenges ahead and it will require a strong team to ensure that we stay not only a viable but also thriving business, producing the surpluses and more that we have become accustomed to.

During the year both myself and Aziz Rahim the acting Chief Executive have been involved in the NLMHA being a part of consortium of 12 BME Housing Associations working together, sharing experiences and resources, essentially to bring about recognition that we are genuine providers of housing in the arena of social housing, to be noticed and acknowledged as such, and who should have a voice in the process.





Ismail Yusuf with David Orr at a London BME housing associations' event.



The board in session.

We want to assert our presence to show that we are a part of the community and that we belong to it. We have therefore named the Morning Lane project as NLMCC House in recognition of the community centre's role in the establishing of the Housing Association. Similarly, the Lea Bridge Road project as YMCC House in recognition of its role in establishing the Youth Centre which led to the Community Centre. The Muslim community in Hackney is a part of the community which shares its experiences, its brother and sisterhood and wants to be seen as working for everyone and the common good of human kind, be it, in the alleviation of housing need, poverty, education gaps or any other social need.

Finally, I am both happy and content that the organisation remains viable and that the Board is continuing to do its utmost in ensuring the highest levels of transparency and control including governance of the Association, its activities and finances. Indeed governance has always been a priority for the Board and it is currently in the process of updating policies and procedures in accordance with the new 2015 code.

Ismail Yusuf  
September 2016

# From the Acting Chief Executive

Aziz Rahim



*Our resilience will help us to overcome all hurdles in our journey ahead*

In recent years, NLMHA has flourished and evolved, and we are now ready to develop our 1,000th property by 2017. We have adapted and responded to a changing operating climate and this process continued during the past financial year.

As I write my report, the sector is still working on some of the changes announced in the former Chancellor's summer budget and the Housing and Planning Act 2016.

Three months have passed since the UK voted to leave the EU. A new Prime Minister has taken up residence at 10 Downing Street and a new Cabinet has been selected. Whilst the full impact of leaving the EU will take time to emerge, we have already seen a great deal of political and economic uncertainty.

Our residents' health, wealth and wellbeing remain our priority, whilst dealing with challenges set by the government to do more with less. At NLMHA, we are mindful of the cost and quality of services we offer to our customers, balancing this commitment with delivering more homes.

During the year, we overcame considerable adversity when our development contractor Crestel went into administration with virtually no warning. Our business continuity plan swung into action and we responded brilliantly. We put interim arrangements in place and completed our NLMCC House scheme. We secured a grant of £1.4m on this development.

I have a great team and am confident we will weather future challenges. We have taken bold steps to move services forward. I am also working in partnership with the London BME group and North River Alliance.

In January 2016, 12 BME housing associations chose to embark on a series of collaborative projects. The group has demonstrated that collaboration can be the 'art of the possible' but that it takes time, commitment and compromise to be achievable. This is an inspired journey to joint working, which remains fundamental to ensuring we can tackle the challenges ahead and continue to deliver high quality and efficient services to residents.

We were very pleased with the results from the residents' satisfaction survey we undertook during the year. It showed high satisfaction levels in virtually all categories.

To deliver on our high priorities – reinvestment and new affordable homes – we have taken advantage of growth opportunities, secured finances and identified potential development schemes.

Financial Reporting Standard 102 (FRS102) heralds the biggest change in UK financial reporting for a generation. We embraced this change and maintained a clear audit.

I hope you find our report for 2015-2016 interesting. I would like to thank our staff, Board members, stakeholders and all who get involved with the Association, for your ongoing support. We make things better when we work together.



# We can face change together

## Building strength through engagement with customers

At NLMHA we look for ways we can continue to engage with our residents at a meaningful level. We work closely with our residents and communities to provide excellent service delivery.

During 2015-16, we focused on communal areas. Residents came to planning meetings, then held events for their neighbours. This is giving us important information about how we can improve.

We continued to use estate walkabouts and other contact with residents to get valuable feedback about our services.

### Scrutiny Panel

The Scrutiny Panel had a busy year, playing an important active role in our organisation. The feedback we gain helps us to get the shape of our services right and to improve the way we provide them.

Panel members have proved to be a great source of feedback from a wide range of other residents.

### Complaints

We use the complaints we receive as an important source of feedback. We aim to put things right and learn lessons for the future.

Last year, we received 10 complaints – the same number as the previous year. We resolved all the complaints on target.

### Boosting life chances

Welfare reform is bringing challenges to many of our residents. We held one-to-one surgeries, meetings and events to make sure residents are ready for Universal Credit and other changes.

We continued to provide access to education and training programmes, as well as offering help to people looking for employment.

When residents needed financial or other advice or support, we signposted them to other agencies.



Young residents take part in a community cohesion event at Finsbury Grange.

***"I am very happy with all the services provided by NLMHA. I feel very proud to be one of their tenants. I have no issues or complaints. Thank you so much!"***  
**Resident from Hana Mews**

# We can continue to grow

## Still on course



The Lea Bridge Road development.

The reason we want to grow is to help people who are waiting for affordable rent properties. We also aim to assist people to buy shared ownership properties. Families will be able to buy their own home after purchasing a 40% share through NLMHA.

Reflecting our ambitions to grow, NLMHA threw its weight behind the Homes for Britain campaign to highlight the national housing crisis.

We are currently developing a scheme on Lea Bridge Road, which consists of 10 homes for affordable rent homes and 10 for shared ownership – a hugely successful project.

We are committed to working in partnership with other housing associations and local developers to deliver great quality homes. In September 2016, we entered into a contract to deliver 11 homes (eight affordable rent and three shared ownership) with Circle Anglia at Theydon Road. This is part of a section 106 agreement for a scheme that will deliver a total of 44 homes.

We have other future projects in the development pipeline.

We are maintaining our existing homes to a high standard. This year's survey showed 83% of residents were satisfied with the quality of their homes.

***"I've been a tenant for many years, and have never had any problems. I am very pleased with all the support and customer service I receive from staff at NLMHA. They are doing a great job."***

***Resident from Glading Terrace***



# We can exceed our targets

100%

of homes had a valid gas safety certificate

100%

of emergency repairs on target

98.9%

of urgent repairs on target

98.6%

of routine repairs on target

90.2%

of repairs fixed first time

## Investment – proud of our assets

We spent £0.9 million on maintaining and improving our homes during 2015-2016. We installed 50 new boilers, 30 new kitchens and 10 new bathrooms.

We still hold our 100% record for the annual gas servicing of boilers.

## Value for Money – at the core of all we do

We remain committed to providing services that represent Value for Money for our residents and to delivering continuous improvement in the quality and range of our homes and services.

The current economic environment puts increased emphasis on value. Our corporate objectives place Value for Money at their centre. The efficient management of resources continues to be one of our highest priorities in order to meet this challenge.

Our corporate objective 'Maintaining our financial robustness including VfM' provides a framework for the effective management of key resources and our drive towards continual improvement in services.



Engaging young residents helps to bring communities together and gives them new skills and interests.

# We can remain a strong business



Young residents pictured at one of our community engagement projects.



Young people from Gosse Court take part in a community cohesion day trip.

97.35%

of rent collected

4.84%

rent arrears at the end of the year

82%

of customers are satisfied their rent gives them value for money

NLMHA is a business with an annual turnover of £6.25 million. This gives us the ability actively to support initiatives that bring wider benefits to the local community, in keeping with our social purpose.

As a community business responsible for a large number of customers and homes, we strive to achieve good value in all that we do. Value for money is not simply about reducing costs. It's about achieving the right balance between efficiency, effectiveness and the economic performance of the business.

## Rent collection

Staff worked very hard and have resolved a lot of Housing Benefit cases, with payment received after the end of

financial year. Rent collection from 1 April 2015 to 1 May 2016 was 100.09%. Rent arrears in May 2016 were 3.41%.

## Allocation

In 2015-2016, we let 24 new and existing homes to new customers.

## Empty homes

We worked to speed up the turnover of our empty homes. On average, homes were empty for 3.7 weeks. We were able to let our new properties more quickly, with an average wait of 1.15 weeks.



# We can maintain strong leadership



Ismail Yusuf  
Chair



Dawood Akhoon  
Vice Chair



Munaf Zina  
Secretary



Ahmed Yusuf Alibhai  
Treasurer



Afzal Galaria  
Member



Mahmood Bham  
Member



Bilal Batha  
Member  
Elected Sept 2015



David Booker  
Co-opted Member



Patrick Vernon  
Co-opted Member



Anjum Bokhari  
Co-opted Member



Azima Badat  
Co-opted member  
Resigned May 2015



Sohail Bslesaria  
Co-opted member  
Appointed Sept 2015

Isin Mehmet  
Co-opted member  
Appointed June 2016  
Resigned 4 July 2016

# We can bring positive change

## Working for the benefit of all our communities

### Actively involving residents

Working closely with residents, we ran activities, projects and family trips for everyone to enjoy. These events work well at getting people from different communities and backgrounds together.

### A garden for the community

At Jenner Road, we helped residents young and older to restore their neglected communal garden. They now have blooming flowers, fruit and vegetables to share, and new picnic benches for outdoor socialising.

### Meetings promote cohesion

We regularly give residents the chance to mix and get to know each other by calling local meetings. We encourage people to share their views and concerns, so that we can take action where possible.



Widening the horizons of our young residents, with a tour around London.



# We can offer a better future

## Providing opportunities for people of all ages



Taking young residents away from their estates, they learn to work together and value each other.

### Jobs and training

Together with Learning Direct, and the Seabright and Tysen Children's Centres, we provided residents with support into work, English as a Second or Other Language classes, and other courses.

We piloted a digital inclusion project in Waltham Forest, which has introduced many of our residents to the world of computers. They learned how to make a search on the internet and how to fill in online application forms.

### Engaging young people

In partnership with the local Safer Neighbourhood Team, we have been working with young people from Colthurst Crescent and Finsbury Grange. They are learning to take ownership of the area they live in and are helping us to reduce levels of anti-social behaviour.

Sky Tutors ran extra after-school clubs for us during the year, to help support young residents with their studies.

We made sure young people felt valued as part of the Jenner Road garden project, by getting them involved in planning the event. They helped choose the plants to grow, as well as the layout of their communal space.

We ran playschemes at five different estates to keep young residents active and happy during the school holidays. We use these sessions to teach the young people about what it means to belong to a community, to help them feel responsible for their neighbourhood.



# We can deliver excellence

## Keeping resident satisfaction high

In 2015-16, resident satisfaction continued to be high across our service areas. Carrying out surveys every year allows us to track changing trends and learn from resident feedback. We use the industry standard survey.

**82%**

satisfied with services overall

**85%**

satisfied with their neighbourhood

**83%**

satisfied with advice we gave on rent

**80%**

satisfied with advice we gave on moving



Going for Green. Plantation programme by residents at Jenner Road.

*"I've been a tenant for the last 23 years. I can proudly say that NLMHA provided me with excellent services and has supported me throughout my housing journey. Thanks to all members of NLMHA."*

**Saeed Tirmizi, Topaz House**



83%

satisfied with our handling of general enquires

80%

satisfied with repairs overall

78%

satisfied with the speed of repairs work

84%

satisfied with how they were told about appointments

80%

satisfied we kept them informed



A group photo taken at the London BME event.

The launch of second phase of our joint collaboration work took place on Monday 25 July 2016 at the Doubletree by Hilton in Islington.

The chairs and chief executives of 12 housing associations attended the event. The chairs signed a Memorandum of Understanding.

NLMHA hosted the event, so our Chair Ismail Yusuf, welcomed all. Steve Douglas from Altair gave a brief

presentation on 'Collaboration, the Art of the Possible'. This is a unique journey of 12 housing associations that want to keep their independence and to work together to achieve value for money, efficiency and higher standards.

David Orr, Chief Executive NHF spoke on the changing sector. He briefly explained the impact on the sector of the Housing & Planning Bill 2016 and Brexit.

# We can build the business

## Focusing on sustainability

For 2016, our Financial Statements have been prepared and presented using the new accounting Standard, FRS 102 format.

We continued to make solid financial progress during the year. The value of our housing stock at 31 March 2016 was £97.2m.

During the year, we acquired 31 new homes and we have a further 20 units under development. Of these, 10 will be let at affordable rents and 10 will be sold under shared ownership. Our housing stock stood at 732 general needs units, six shared ownership units, and 69 leasehold properties. We managed seven units on behalf of other landlords.

Our surplus for 2016 was £2.064m (2015: £2.308m), after housing property depreciation of £1.330m (2015: £1.181m). The finances were again well managed.

### Director of Resources

Statement of comprehensive income for the year ended 31 March 2016	2016 (£)	2015 (£)
<b>Turnover</b>	<b>6,252,699</b>	<b>6,044,568</b>
Operating costs	(3,339,110)	(3,227,234)
<b>Operating surplus</b>	<b>2,913,589</b>	<b>2,817,334</b>
Surplus on sale of housing properties	-	288,343
Interest receivable	31,371	27,109
Interest payable and similar charges	(880,822)	(824,285)
<b>Total comprehensive income for the year</b>	<b>2,064,138</b>	<b>2,308,501</b>

Turnover breakdown analysis	2016 (%)	2015 (%)
Service charge costs	6.67	6.51
Management	12.40	11.96
Routine maintenance	7.29	6.79
Planned maintenance	2.40	1.97
Major repairs expenditure	1.74	2.89
Bad debts	0.00	0.04
Rent payable	0.08	0.08
Housing property depreciation	21.17	18.58
Loss on replacement of components	0.00	1.92
Increase in pension liability	1.38	0.00
Interest paid	14.02	12.96
Surplus for the year	32.85	36.30
<b>Total</b>	<b>100</b>	<b>100</b>



<b>Statement of comprehensive income for the year ended 31 March 2016</b>	<b>2016 (£)</b>	<b>2015 (£)</b>
<b>Fixed assets</b>		
Housing properties	96,078,405	91,542,355
Other fixed assets	800,690	807,632
Investment properties	400,000	400,000
	<b>97,279,095</b>	92,749,987
<b>Current assets</b>		
Debtors	273,452	201,201
Shared ownership property unsold	468,715	366,556
Cash at bank and investments	3,585,650	3,250,309
	<b>4,327,817</b>	3,818,066
Creditors: Amounts falling due in less than one year	<b>(2,066,053)</b>	(1,930,979)
<b>Net current assets</b>	<b>2,261,764</b>	1,887,087
<b>Total assets less current liabilities</b>	<b>99,540,859</b>	94,637,074
<b>Financed by</b>		
<b>Creditors: Amounts falling due in less than one year</b>		
Disposal proceeds fund	247,807	247,807
Government grant – deferred income	54,605,445	51,631,525
Loans	29,292,917	29,487,194
Pension liabilities	265,000	205,000
	<b>84,411,169</b>	81,571,526
<b>Capital and reserves</b>		
Called-up non-equity share capital	136	132
Revenue reserves	14,949,028	12,884,890
Revaluation reserve	180,526	180,526
<b>Total</b>	<b>99,540,859</b>	94,637,074

## Executive team

### Aziz Rahim

Acting Chief Executive (from June 2014)  
Housing Services Director

### Moosa Bhamjee

Director of Resources

## Solicitors

### Devonshires Solicitors

30 Finsbury Circus  
London  
EC2M 7DT

### Clarke Willmott LLP

1 Chancery Lane  
London  
WC2A 1LF

## Internal auditors

### Moore Stephens

150 Aldersgate Street  
London  
EC1A 4AB

## External auditors

### Nexia Smith & Williamson

25 Moorgate  
London  
EC2R 6AY

## Bankers

### HSBC Bank plc

312 Seven Sisters Road  
Finsbury Park  
London  
N4 2AW

### The Co-operative Bank plc

1 Balloon Street  
Manchester  
M60 4EP

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