




Annual review

Our work
2011-2012

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Foreword



The 2011-2012 business year presented challenges and opportunities in equal measure. As the Government's change agenda gained momentum we maintained our focus on engaging with ministers and civil servants on behalf of our members.

And within the context of a difficult environment we successfully influenced key policy areas; securing concessions across plans for welfare reform, accounting standards, VAT, the Green Deal, the National Planning Policy Framework, the Localism Bill and the investment framework.

In other areas, such as health and social care, our work in 2011-2012 laid the foundations for ensuring housing associations are recognised as key partners in local service delivery.

Working with our members we initiated vital work to look at future funding models and engaged with new local decision-making structures. These key areas of work remain a priority as we move beyond responding to change towards a shared vision for housing and the role of housing associations.

We are pleased to report that our commercial services continued to cover all of their costs and generate a profit – which enabled us to keep fees income focused on lobbying and influencing on behalf of our members

As part of our drive for continuous organisation improvement we consulted with our members on our medium-term business strategy. The board has since tasked our leadership team with taking forward the consultation findings to establish a clear roadmap for the future.

This annual review contains highlights of our work on behalf of members in the 2011-2012 business year. This year, we have produced a separate financial review to provide a more in-depth view of our performance. This, along with our audited financial statements, is available at www.housing.org.uk/aboutus.

We look forward to working with you to make the case for affordable housing, and for housing associations, in the coming year.

Matthew Taylor, Chair

David Orr, Chief Executive

Health, support and care

Our work to promote the role of housing in health, support and care included:

- regional and national roundtable discussions with MPs through our Support Matters campaign
- persuading 551 councillors to sign a letter calling on councils not to make disproportionate cuts to Supporting People budgets
- health select committee report on social care endorsing our recommendation that housing is central to the integration of health and social care
- high profile exposure at party conferences with Support Matters events involving frontbench peers, select committee members and local authorities
- backing nine amendments to the Health and Social Care Bill relating to housing and homelessness
- hosting 950 local events, raising awareness of care and support services
- the Housing Care and Support conference which received a 100% satisfaction rating from those surveyed
- publishing Invest in Housing, Invest in Health which looks at housing's role in delivering health outcomes
- establishing a dementia and housing working group in partnership with the Department for Communities and Local Government.

Last year we led the agenda for better integration across housing and health; this year we are pleased to report that the draft Care and Support Bill contains new legal duties for housing and social services departments to co-ordinate their work and integrate services. Likewise, the Social Care White Paper recognises that housing is crucial to integrated care with a commitment of £200m extra investment in specialist housing.

“The contribution housing associations make is clear – better health outcomes, fewer demands on NHS services and lower costs.”

Andrew Lansley,
Secretary of State for Health



Investment in housing

By continuing to focus on the need for more affordable homes we:

- secured an extension of the existing rental formula for social rents (RPI+0.5%) until 2015, helping to protect the income of the sector in difficult economic times
- influenced the design of the Affordable Homes Programme to improve the operational environment for housing associations building new homes, including a better deal on risk sharing and improving delivery agreements
- looked at how the sector would fund future homes beyond 2015, speaking with over 250 housing associations, 50 local authorities and leaders from across the housing world
- put the housing crisis at the top of the political agenda through our *Home Truths* reports
- ensured that changes to the regulation of mortgage lending did not undermine mortgage availability for shared ownership or first-time buyers.

We continue to support members to deliver the Affordable Homes Programme and to look to the future of investment. We are commissioning research to demonstrate the economic impact of building new homes and will be using this to support our work in securing investment for new homes.

Housing crisis highlighted

Lead UK story on the BBC news, ITN News and Sky News

Editorial and comment pieces in *The Times*, *The Independent*, *The Guardian*, *Daily Mail* and *Daily Express*

Coverage around the country including *London Evening Standard*, *Western Daily Press*, *Yorkshire Post* and BBC local radio

56% of people agree there is a housing crisis in England*

*Source: YouGov poll for the National Housing Federation, October 2011



Protecting independence



We worked to ensure housing associations are free from unnecessary bureaucracy:

- the Localism Act 2011 recognised our long-standing position against the regulator having detailed involvement in the day-to-day management of housing associations
- we pressed for amendments to the new Regulatory Framework to ensure it reflected the changes intended by the Localism Act, in particular regarding value for money
- we won our campaign to protect tenants' right to complain directly to the ombudsman, ensuring social housing tenants have the same rights of access as everyone else.

The independence of housing associations enables them to innovate and tailor their work to the communities they serve. We will ensure that government understands the value of that independence and the risks of threatening it. And we will make it one of the key tests we apply to any new policy or proposal.

“I’m really pleased the Government have listened to tenants and changed their minds. Of course we should be able to speak to our own ombudsman if we want to.”

Bernadette Gallagher,
Innisfree Housing Association



Localism



We lobbied to ensure affordable housing was prioritised by:

- leading the housing and homelessness sector submission on the National Planning Policy Framework (NPPF) resulting in legislation that supports sustainable and affordable housing development
- engaging with the debate – Planning Minister Greg Clark addressed our Planning Conference which was attended by policy makers and thought leaders across the housing and planning sectors
- securing a public commitment from ministers through the passage of the Localism Bill that the new Community Infrastructure Levy (CIL) should not prejudice affordable housing delivery
- preventing a potential burden for the sector by addressing shortcomings in proposals for fixed-term tenancies through securing amendments to the Localism Bill
- publishing a guide to the Localism Act 2011
- engaging with the City Deals agenda and new local structures such as local enterprise partnerships and health and wellbeing boards to ensure that housing associations' local contribution is recognised.

Local matters

50 rural councils signed up to support our Save Our Villages campaign

73 Rural Housing Week events

118 regional events on policy and sector issues

14% increase in MPs who think housing associations improve neighbourhoods*

* ComRes research for the National Housing Federation, 2011

We continue to work with members to engage with city regions, local enterprise partnerships and other local decision-making structures. We continue to implement local engagement plans and are commissioning research to examine the impact of housing associations on local economies.

Greener homes



We lobbied to secure a better deal on green issues by:

- influencing the Green Deal to obtain additional protection for consumers (including low income earners and vulnerable people) and make the process more cost effective for businesses
- ensuring housing associations have better access to the £1.3bn pa energy company obligations (ECO) available to help subsidise improvements to costly or fuel poor homes
- meeting with Secretaries of State Chris Huhne and Ed Davey and minister Greg Barker to discuss the role of social landlords in government plans and how to achieve momentum in the green agenda
- joining a panel of experts chaired by Sir John Harman tasked with how best to rationalise design standards while maintaining design quality.



Green projects

- Launched the Count Us In project funding by the Oak Foundation and supported by British Gas which supports pilot members to look at different ways of engaging households on reducing their energy use
- Hosting the externally-funded Neighbourhoods Green project which enables members to swap ideas on what works on green space management.

We continue to monitor the emerging framework for the Green Deal to ensure housing associations are given all the tools they need to deliver for their residents and communities. We will continue to press the Government to think again on the continuing exclusion of social landlords from one pot of funding for fuel poverty and the process of securing consent for work in blocks of flats. My Home Energy Switch has recently re-launched to include a new service that will help members re-let empty properties more quickly.

Welfare reform

Our campaigning and lobbying secured:

- an extra £30m per year in Discretionary Housing Payments for foster families and tenants living in specially adapted properties affected by the bedroom tax
- an extra £120m in Discretionary Housing Payments for families hit by the overall benefit cap
- demonstration projects to evaluate the impact of the removal of direct payments
- a commitment that people in supported and sheltered housing will not be affected by the bedroom tax
- a commitment to hold an independent review into the impact of the bedroom tax
- local authorities empowered and encouraged to share data on families hit by bedroom tax with housing associations.

We continue to lobby the Department for Work and Pensions to ensure Universal Credit is implemented in a way that supports people into work while protecting vulnerable tenants. We recently appointed Ipsos Mori and Cambridge University to lead a welfare reform impact assessment which will examine how housing associations and tenants across the country are affected. Our Bedroom Tax campaign has been shortlisted for a Public Affairs News award.

Campaign in numbers

76 organisations joined the Bedroom Tax campaign

300+ housing associations took part in Welfare Action Week

1000 campaign Christmas cards sent to MPs and Lords

1200 people participated in our online campaign

135,000+ people reached through Twitter



Adding value



We worked with members across the country and continued to offer cost-effective products and services:

- our commercial activities more than paid for themselves, offering great value and generating a profit
- our conferences allowed members to engage with politicians and decision-makers to influence the social housing agenda
- more than 120 regional and special interest groups brought people together to share expertise and best practice
- published high-quality guidance and information to the sector through our publications – bestsellers included *Leadership and Control* and *Excellence in Governance*
- kept members updated on key issues through policy briefings, our website, email newsletters, *the Bulletin* and regional magazines
- consulted our members on our medium-term business strategy.

We will act on the feedback received from members during our business strategy consultation to ensure that our work continues to focus on what matters most for housing associations.

Facts and figures

Over **100,000** people took advantage of our commercial services

10,000 people attended our conferences

17,000+ people used Lion Court Conference Centre

217,000+ unique website visitors and over 390,000 total visits

12,400+ publications sold

Making good business sense

We lobbied to manage risk and secure changes that will benefit the whole sector:

- persuaded HMRC to implement the new VAT cost sharing exemption in the a form that should reduce the sector's annual VAT burden by tens of millions of pounds
- successfully persuaded the Financial Reporting Council to revisit its proposed approach to implementing International Financial Reporting Standards (IFRS) – a move which will save the sector billions of pounds
- developing the detailed guidance that housing association finance teams will need in order to implement new IFRS-style accounting rules.

Following our lobbying work, we will be holding events to ensure our members benefit from the VAT cost sharing exemption and understand the practical implications of IFRS. We will also be launching a sector-wide consultation exercise to make sure our accounting guidance is comprehensive and consistent. We continue to lobby UK government and members of the European Parliament to ensure the review of the EU procurement directive provides greater flexibility for housing associations.

Savings to the sector

£110 million over four years saved through no VAT on professional services

£262,400 saved in recruitment fees through our Guardian Jobs partnership

£13 million saved by members through the Federation's initiative Procurement for Housing

32,000 tenants protected through low-cost My Home Contents Insurance scheme

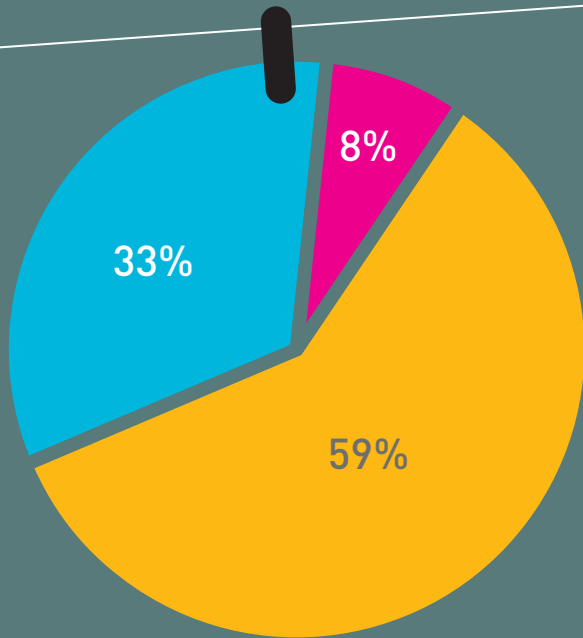
Financial overview

This year the Federation has produced a separate financial review. It is designed to explain in a straightforward way how the Federation is performing in financial terms, what its financial objectives are, whether they are being met and what are its financial drivers.

The review can be read alongside the Federation's audited financial statements, and both are available at www.housing.org.uk/aboutus.



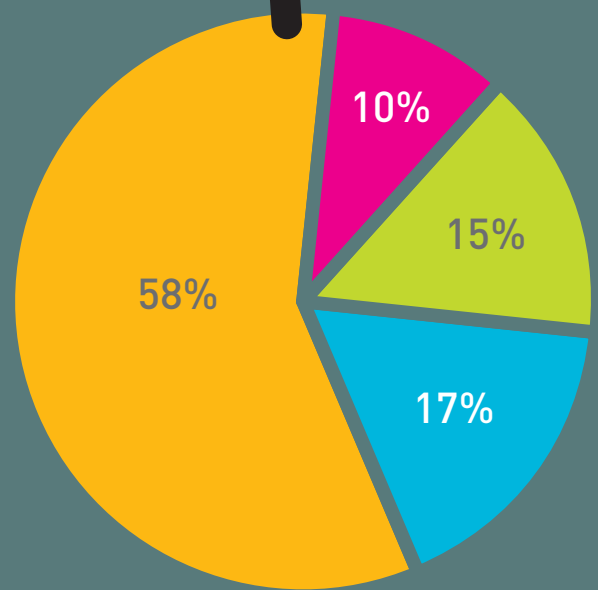
In 2011/12 the Federation's income totalled **£14.6m**, of which about **60%** was from affiliation fees. The Federation made a profit of **£0.5m**. Breakdowns of income and expenditure are as shown.



Federation gross income

- Affiliation fees
- Commercial
- Other*

* grant income



Federation expenditure

- Member services
- Support*
- Commercial
- Depreciation and interest

* finance, HR, ICT, facilities

The board



- **Lord Taylor of Goss Moor** (Chair)
- **Ann Santry CBE** (Vice-Chair) Chief Executive, Sovereign
- **Paul Tennant** (Chair of Audit & Risk Management Committee) Chief Executive, Orbit Group
- **June Barnes** Chief Executive, East Thames Group
- **Sinead Butters** Chief Executive, Aspire Group
- **Matthew Gardiner** Chief Executive, Trafford Housing Trust
- **Mick Kent** Chief Executive, Bromford Housing Group
- **David Orr** Chief Executive, National Housing Federation
- **Terry Stacy MBE** Chair, Island Homes
- **Victoria Stark CBE** Chief Executive of Look Ahead
- **Mark Washer** Group Finance Director, Affinity Sutton
- **Peter Williams** Board Member, Thames Valley HA and Director, Cambridge Centre for Housing and Planning Research

The Federation board sets the strategic direction for the organisation and oversees policy issues and business effectiveness.

Read more about the board at www.housing.org.uk/aboutus

The leadership team

The Federation leadership team has five members and is led by Chief Executive David Orr.

It ensures the strategic direction set by the board is implemented effectively, as well as making decisions on policy and business effectiveness. The leadership team also ensures the effective management and leadership of Federation staff.

Read more about the leadership team at www.housing.org.uk/aboutus

- **David Orr** Chief Executive
- **Simon Charlick** Director of Operations
- **Ruth Davison** (job share) Director of Campaigns and Neighbourhoods
- **Gill Payne** (job share) Director of Campaigns and Neighbourhoods
- **Elaine Walder** Director of Commercial Services

The National Housing Federation is the voice of affordable housing in England. We believe that everyone should have the home they need at a price they can afford. That's why we represent the work of housing associations and campaign for better housing. Our members provide two and a half million homes for more than five million people. And each year they invest in a diverse range of neighbourhood projects that help create strong, vibrant communities.

National Housing Federation

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