



Spitalfields
Housing Association
স্পিটালফিল্ডস হাউজিং এ এসোসিয়েশন লি.

Annual Report 2021 – 2022





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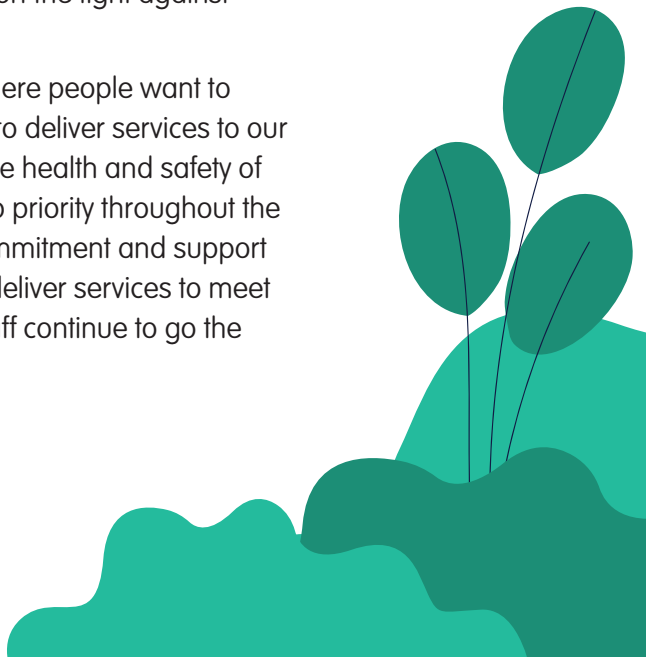
Corporate Statement

Spitalfields Housing Association (HA) is the largest Bangladeshi-led housing Association in the UK. The Association was founded in 1979 by members of the Bangladeshi community in response to poor housing conditions in the Spitalfields area. It was originally set up as a co-operative, and the Association initially concentrated on developing large family sized accommodation for Bangladeshi families. The Association was registered with the Housing Corporation in 1979 and it began an ambitious development programme, where we refurbished and invested in what had been underdeveloped homes and communities.

We are now a general needs housing provider, providing good quality housing, and community services to those with the greatest needs in Tower Hamlets and beyond. Spitalfields HA has grown to become one of the top five largest BME housing associations in London; and we have achieved this through diligent management and inspirational leadership. This is at a time where growth in the sector has largely been achieved through mergers and acquisitions. Spitalfields HA has been able to maintain its unique identity and exceptional service delivery to its residents and those in the surrounding communities.

We are extremely proud of our diverse family of employees, residents, partners and contractors. As a provider of homes to numerous communities in one of the most diverse cities in the world and an employer to many BAME employees, we support the fight against racism, and discrimination in all forms.

Spitalfields HA's mission is to 'create places where people want to live'. We have been working hard to continue to deliver services to our resident throughout the covid-19 pandemic. The health and safety of our residents and colleagues has been our top priority throughout the lockdown. We are proud of the dedication; commitment and support from our staff who have continued to work to deliver services to meet our residents' needs and expectations. Our staff continue to go the extra mile to support the most vulnerable.







Corporate Statement (continued)

The financial performance of the Association remains strong. Spitalfields HA generated an overall surplus of £1,873k for the year ended 31 March 2022 before the recognition of multi-employer defined benefit scheme. This compares to a surplus of £2,001k for the year ended 31 March 2021. This has been achieved continued diligent financial and treasury management and excellent cost control.

Our long-term asset management strategy includes health and safety, cyclical and planned programmes to ensure that our investment is well appraised, used where needed, and our stock is maintained at a high standard. We are currently in the process of reviewing our programme of renewal and repair to our properties due to uncertainty and concerns associated with the covid-19 outbreak.

We would like to express our gratitude to all the members of the Scrutiny Panel, Residents' Associations and Estate Inspectors who continue to work to challenge the Association's work on a range of matters which are of importance to our residents. We would also like to thank our residents, Board members, staff members, partner organisations, and contractors for their valued contribution and continued support over the past year.



Value for Money

Value for money is embedded in our corporate plan and our business planning framework. Our three on-going key strategic priorities are to improve our core services, increase our residents' satisfaction and to develop more homes for our local communities. This is underpinned by our strong financial performance.

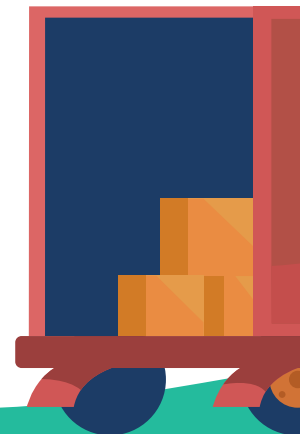
Value for money has been delivered through:

- Adhering to our asset management strategy which seeks to improve the performance of our assets;
- Providing good quality, efficient and effective services to residents; and
- Using balance sheet strength to finance our loan portfolio.

We have maintained strong cost control and we anticipate that our costs and quality of service will continue to improve with our renewed focus on our online services and overall reallocation of resources. We are continuing to engage and explore new methods of interaction and methods of delivering services to our residents in a way that meets the needs of our residents.

The year to 31 March 2022 has also been another financially strong year for Spitalfields HA. We ended the year with an operating surplus of £3.1 million (38.6% operating margin) and a net surplus after interest of £1.9 million (23.5% net margin). Our value for money focus can be seen by the strong performance in our operating surplus and the improvement in the services we have delivered to our residents.

These surpluses are a result of diligent financial and treasury management, with a focus on cost control, and a proactive approach to risk management. We are focused on providing value for money as we are a social purpose business and we use our surplus to invest in our existing stock and develop more homes for social benefit.





DELIVERY

Housing and Customer Services

Spitalfields HA has performed well in light of exceptional challenges over the past year. The Association has adapted to working remotely whilst innovating to meet resident needs and maintain our buildings and Estate to a good standard. We are committed to ensuring that we continue to offer good quality and cost effective core service to our residents.

Rent and service charge recovery

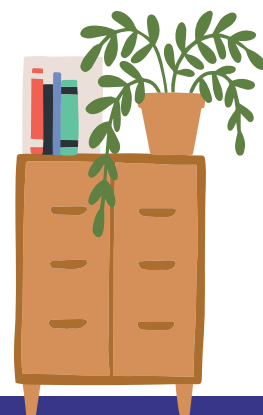
This has been a challenge year from residents and arrears have increased in comparison to recent years, however, we continue to employ some of the successful techniques that has streamlined the process, these include:

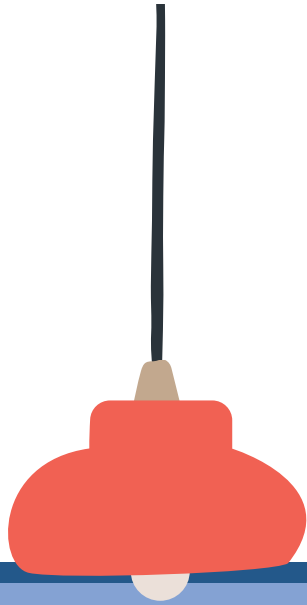
- uniform debt letters, written in a clear and concise way and readily available via the IT system;
- ensuring all letters are recorded against the property account;
- encouraging residents to Pay in Advance – this has been extremely successful in avoid tenants slipping into arrears unknowingly and is in line with the terms of lease and tenancy agreements.
- monitoring rent accounts in bands – this has ensured there is a focus on the debt balance level and not debt balances by patches as done in the past.
- we are supporting our tenants with Universal Credit applications and signposting to other services where they have welfare needs.

This and other improvements to the debt recovery process are a result of SHA responding to sector-wide good practice.

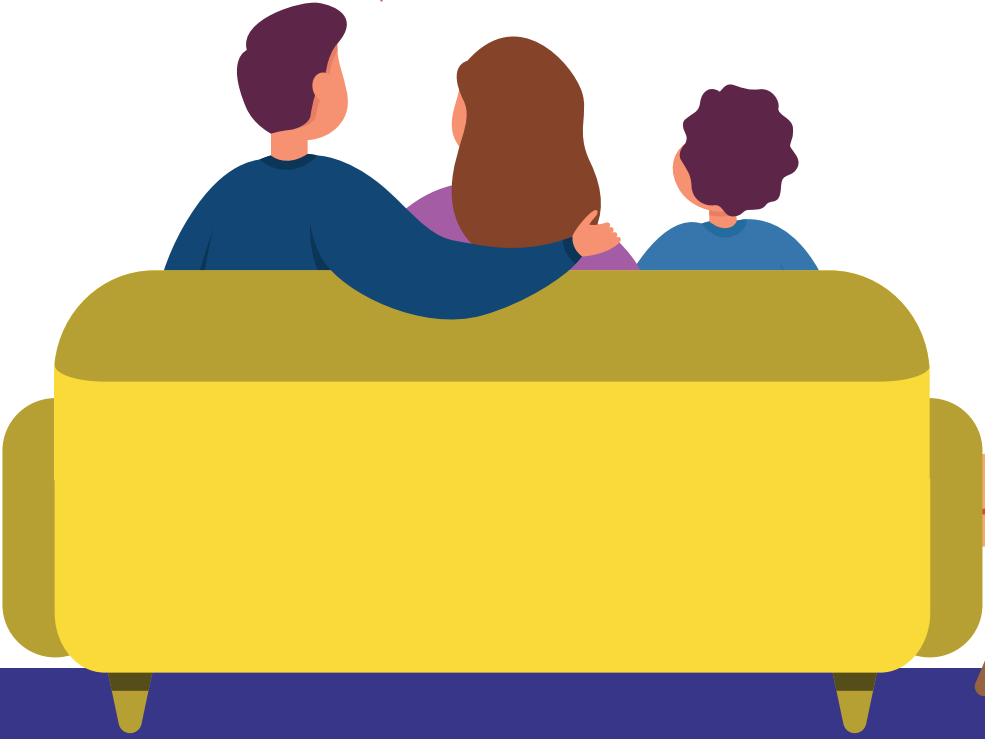
My Tenancy

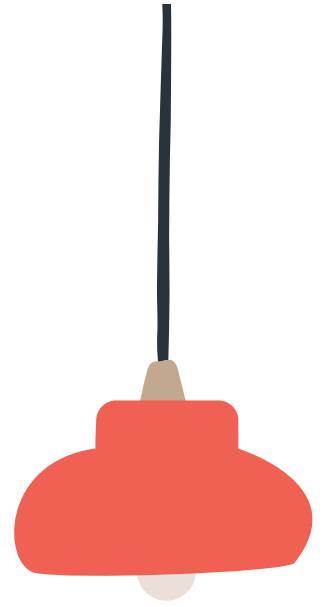
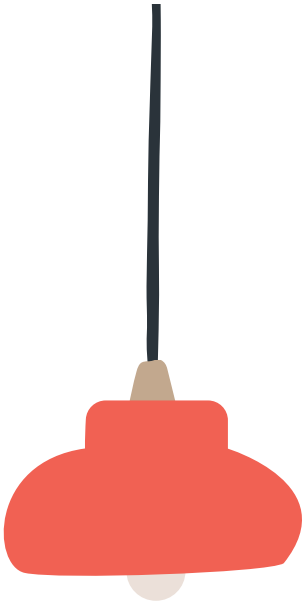
My Tenancy is a comprehensive system that allows tenants to access their rent account 24/7 and 365 days of the year via a web portal. The customer portal allows residents to access their rent account, make payments online, place repair requests, print statements, and make a complaint or complement, and much more! Initial feedback on usage has been positive and we would like to encourage all our residents to sign if up if you haven't already and use the service to its full potential.





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Housing Services (continued)

Fire Safety and Common Area Hazards

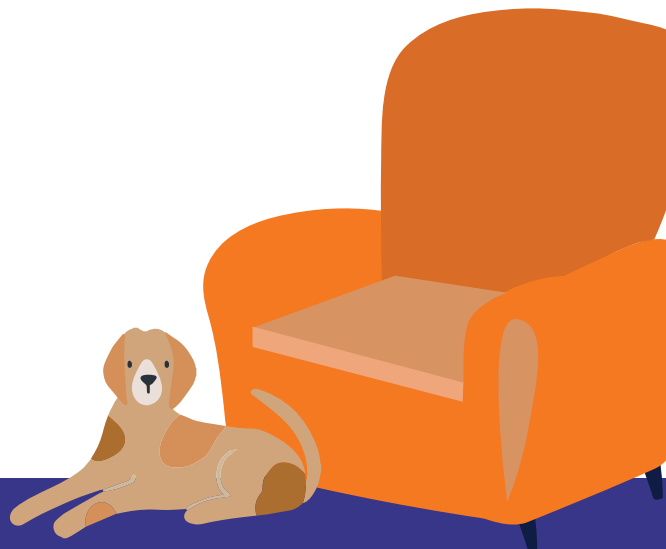
We continue to act on the recommendations from Fire Risk Assessments; and as a result, we have maintained a zero tolerance clean up approach and targeted buildings where the risks remain high. The health and safety of both our residents, assets and contractors are paramount to our focus on safety. Our advice to residents is to keep all communal areas clear of any obstructions and combustible materials and that includes balconies. We carry out estate inspections to all our estates to ensure residents are in compliance with the zero tolerance approach.

Asset Management and Maintenance

Spitalfields HA has a prudent and planned approach to cyclical works and this is revisited every year by the Board to ensure that the ratio of planned and responsive repairs are proportionate and value for money is achieved through planning and efficiency.

Our on-line repair tool allows residents to report repairs and enables us to respond and fix the problem quickly and efficiently. We continue to encourage all residents to sign up for this service.

We take great pride in the health and safety standards of our properties. We would like to reassure our residents that we take great care to ensure that all our properties are compliant with fire, building, and safety standards, and where defects are identified, we prepare a plan to rectify these issues.



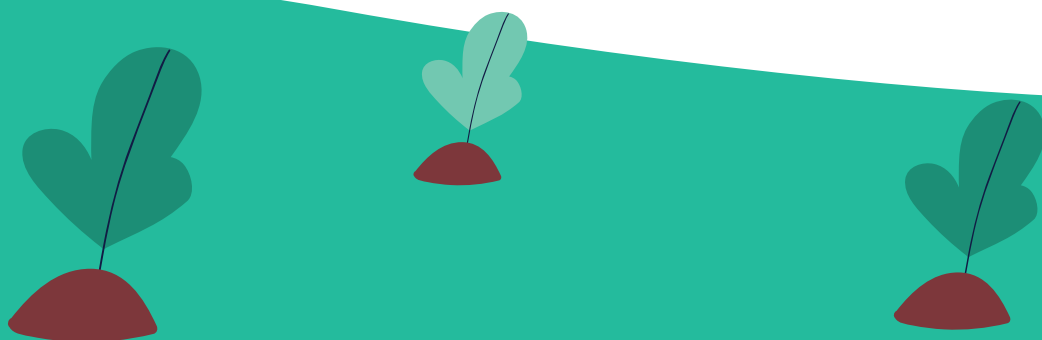
Finance Report

Strong financial stability

Spitalfields HA's financial performance remains strong. The surplus for 2022 was £1.9m (2021: £2.0m). This has been achieved through diligent financial and treasury management and excellent cost control.

Statement of comprehensive income for the year ended 31 March 2022

	2022 (£)	2021 (£)
Turnover	7,987,933	7,904,860
Operating costs	(4,909,199)	(4,835,108)
Gain on disposal of property	5,903	199,501
Operating Surplus	3,084,638	3,269,253
Net Interest payable	(1,217,361)	(1,267,813)
Surplus for year	1,873,180	2,001,440
Other comprehensive income	343,000	(378,000)
Total comprehensive income for the year	2,210,276	1,623,440

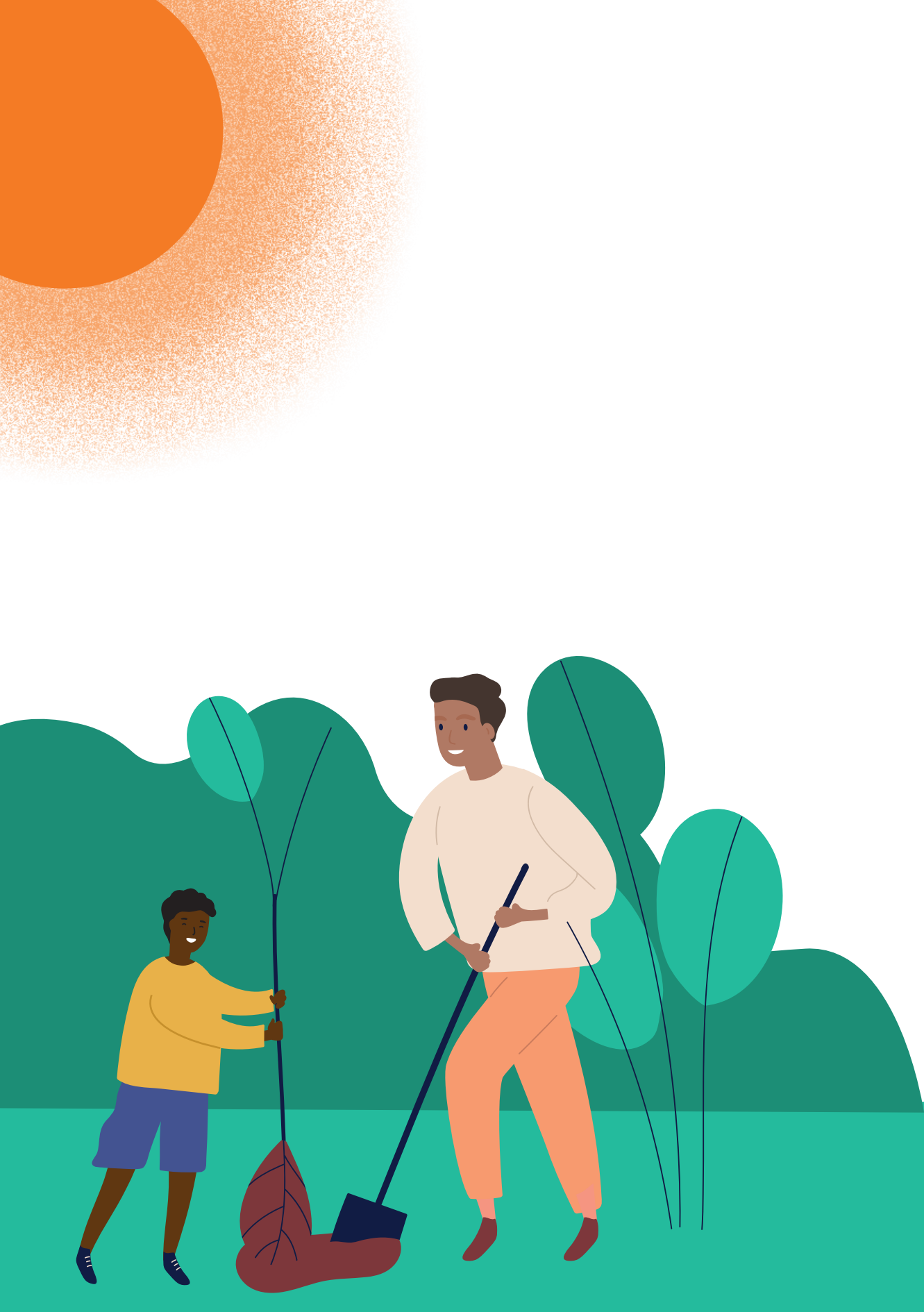


The value of our housing stock as at 31 March 2022 was £97.4m (2021: £98.0); the decrease is due to depreciation of assets. Cash and cash equivalents remains very strong at £9.1m (2021: £8.5m). Other fixed assets relate mainly to commercial properties and the changes are due to annual revaluations. All loan covenants were and are comfortably met.

Statement of Financial Position as at 31 March 2022

	2022 (£)	2021 (£)
Housing properties	97,440,582	97,984,230
Other fixed assets	5,229,869	5,251,893
Debtors	506,249	531,684
Cash	9,069,129	8,485,761
Creditors	(84,192,817)	(86,400,831)
Net assets	28,063,014	25,857,737
Reserves	28,063,014	25,857,737





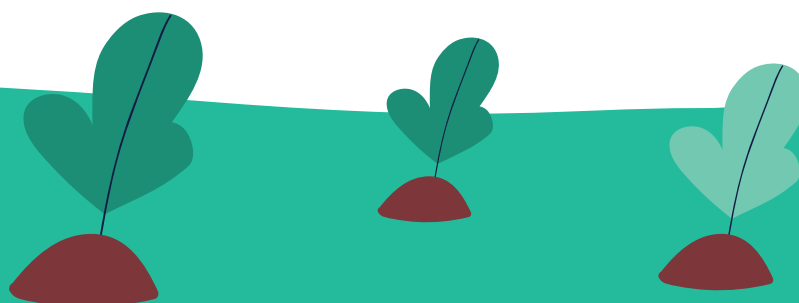
Finance Report (continued)

Financial activities during the year yielded a net cash surplus of £583k (2021: £369k).

The Association is financed by a combination of revenue reserves, long-term loan facilities and social housing grant received either directly from the Government or from Recycled Capital Grant Fund. The income from our commercial properties also contributes to the funding mix.

Statement of Cash Flow as at 31 March 2022

	2022 (£)	2021 (£)
Net cash from Operating activities	3,884,618	3,555,398
Investment in properties	(420,224)	(63,987)
Net proceeds from property sales	5,903	252,874
RCGF Repaid	-	(488,795)
Repayment of loans	(1,714,595)	(1,626,314)
Net interest paid	(1,172,334)	(1,259,813)
Net change in cash	583,368	369,363
Cash at the beginning of the year	8,485,761	8,116,398
Cash and cash equivalents at the end of the year	9,069,129	8,485,761





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