



Annual Report 2008 - 2009



CHAIRMAN'S STATEMENT



It is always a pleasure to report on a successful year and, as the association enters its 10th year since relaunching as “Ability” in 1999, it is fair to say that we have never been in better shape.

It is our objective to put people first and I can report that Ability is now providing housing or support on any day to nearly 1000 people who want to live more independently. We have increased our workforce to over 170 to meet the challenge of providing an ever improving quality of service.

Recent growth is partly attributable to the transfer of the activities and assets of the former REAP Resettlement Agency, which took place in February 2009. We have welcomed the former REAP staff into our workforce and they have undoubtedly added to our already rich pool of talent.

We have also welcomed two former REAP trustees, David Brown and Adrian Polisano onto our Board, David and Adrian bring fresh insights and valuable skills. Peter Cleland, who had served on the Board for nine years, decided to stand down in May. Peter will be sorely missed, not only for his considerable knowledge, skill and leadership, but also for his humour, which has enlivened many meetings.

The executive team was strengthened during the year by the promotion of Steve Hurrell to the post of Partnerships & Development Director and the addition of Rita Nath-Dongre, who joined us from REAP and became Customer Services Director.

The team, led by Chief Executive, David Williams, has delivered an impressive set of results. Turnover is up by 16% and our surplus has also increased. We have established our largest ever development programme and secured new finance at competitive rates to ensure its delivery.

All this has been achieved despite a backdrop of profound changes to the sector with regulation and future funding changing markedly. We've seen the Housing Corporation replaced by two agencies – the Homes and Communities Agency and the Tenant Services Authority. Meanwhile, the removal of the ring fence for Supporting People subsidy leaves services to some of our most vulnerable customers uncertain as local authorities may consider they now have different priorities.

In these circumstances we are committed to ensuring that our housing and support services remain secure, sustainable and offer best value. I feel strongly that this will stand us in good stead for the future and the Board fully endorses this approach.

John Daley, Chairman 1

CHIEF EXECUTIVE'S REPORT



The production of this Annual Report coincides with the completion of ten years of operation as “Ability Housing Association”. Although we are a forward looking organisation and sufficiently well grounded to know that we have much more still to do to realise our vision, “for people who want to live more independently to regard Ability as their first choice provider”, some reflection is warranted.

The day of our name change, ten years ago, is forever etched in my memory. I recall answering the phone for the first time with “this is Ability Housing Association”. I was surprised at how easily it rolled off the tongue and at my immediate and profound sense of liberation.

As I walked around the offices I noticed a feverish buzz. Evidently my colleagues all felt the same way. The air was suddenly filled with new optimism and aspiration. We all were able now to express our identity and to talk about our vision and values on our own terms.

The word ‘Ability’ conveys so much about our vision and values. Our customers are people who want to live more independently. Too often they are defined by what they can’t do; by their disability. We can see what they can do; we see their ability.

We are focussed on providing housing and support services that remove the barriers that prevent our customers from fulfilling their potential. We enable our customers to achieve the level of independence they desire; to realise their true ‘ability’.

Ten years on, that buzz has never dissipated. Barely a day goes by without me witnessing Ability staff, in deed as well as in word, living the Ability values. We don’t need reminding; it’s all in the name.

If one project exemplifies Ability's vision and values while also charting the changes that have taken place over the past ten years, then it is the redevelopment of Pound House in Dorking. Pound House was a large detached house acquired in the mid 1980s and converted to provide a residential care home for people with learning disabilities.

During a tenant conference about 5 years ago, I found myself being heckled while delivering a keynote address. The heckler was a resident from Pound House, who shouted 'what are you going to do about Pound House?'. 'What would you like us to do about Pound House?' I replied. 'Knock it down and build flats' came a chorus of voices from the front rows. So we did.

I'm not sure if that is precisely what the Tenant Services Authority has in mind when it advocates greater accountability to tenants, but we didn't need asking twice.

Of course, the delivery of such a high quality scheme comprising 12 one and two-bed self-contained flats to replace the former care home on the same site has been far from straightforward. We've encountered and overcome numerous planning, design and ecological obstacles, parental opposition, funding challenges – both capital and revenue - and the complex task of temporarily housing all the current residents; not to mention bats! However, clarity of purpose, persistence and team work coupled with no little skill, has seen us nearing completion of the building project.

The outcome will be a hugely improved quality of life for our customers, who will each be one step nearer to their individual goals for greater independence. With that, Ability will be one large step nearer to the realisation of its vision.

David Williams, Chief Executive

PERFORMANCE REPORT

Rents and Lettings



AVERAGE WEEKLY RENTS

	SECURE TENANCY	ASSURED TENANCY
Studio Flat	£ 48.74	£ 77.52
1 Bed	£ 61.06	£ 83.21
2 Bed	£ 74.99	£ 91.02
3 Bed	£ 80.22	£ 98.93
4 Bed	-	£ 104.85



LETTINGS TIMESCALES DURING THE PERIOD

	<2 WEEKS	2-6 WEEKS	>6 WEEKS	TOTAL
Rented Wheelchair	8	0	5	13
Rented General Needs	7	3	8	18
Supported Wheelchair	0	0	8	8
Supported Other	31	12	28	71
Total	46	15	49	110



AVERAGE RE-LET TIMES

	2008	2009
All (target 28 days)	41 DAYS	53 DAYS



ETHNIC MONITORING OF LETTINGS

White	82%	85%
Asian or Asian British	1%	4%
Black or Black British	3%	8%
Mixed/Other	4%	3%
Refused/unknown	10%	0%
Total	100%	100%



HOUSING STOCK

	OWNED BY ABILITY	OWNED BY OTHERS	MANAGED BY OTHERS	TOTAL
Independent Rented	176	11	0	187 Change +15
Shared Ownership	7	0	0	7 Change -1
Supported Housing	201	72	0	273 Change +18
Residential Care Home	5	0	15	20 Change 0
Occupied by Staff (S/C)	3	5	0	8 Change +2
Total	392	88	15	495 Change +34

REPAIR RESPONSE TIME

		% IN TARGET	NUMBER OF REPAIRS	NUMBER OUT OF TARGET
Emergency (24 hours) TARGET 98%	2008	98%	137	3
	2009	92%	63	5
Urgent (5 working days) TARGET 98%	2008	97%	359	12
	2009	86%	353	49
Routine (28 working days) TARGET 98%	2008	99%	655	6
	2009	92%	486	40



Repairs and Stock Condition

STOCK CONDITION

	TARGET SEPT 2009	30TH SEPT 2008	30TH SEPT 2009	%AGE
Average SAP rating	>83	83	84	N/A
Failing decent homes standard	<10%	23	12	2%
Shared Housing	<50	84	70	14%
Decent and self-contained	453	377	425	86%



RENT LOST DUE TO VOIDS

	2008	2009
General Needs	2.16%	2.57%
Supported	4.12%	4.45%
Overall Total	3.41%	3.82%



Voids and Arrears

VOID PROPERTIES AT 30TH SEPT 2009

Available for Letting	7 (1.4%)
Not available for Letting	12 (2.42%)
Total	19 (3.8%)



ARREARS

	OVERALL		GENERAL NEEDS		SUPPORTED	
	2008	2009	2009	2009	2009	2009
Housing Benefit Arrears	2.92%	2.36%	1.57%	2.76%		
Tenant Arrears	0.89%	0.82%	1.30%	0.55%		
Overall Total	3.82%	3.16%	2.87%	3.31%		



RENT COLLECTION

	2008	2009
Rent collected as % of rent debt	100.50%	97.94%



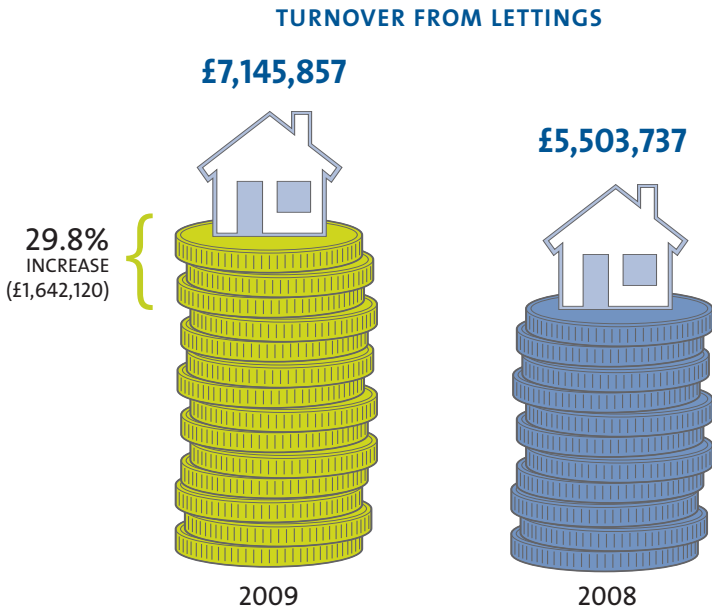
FINANCIAL REPORT

The accounts for the year show that turnover from lettings has increased by £1,642,120 (29.8 %) to £7,145,857. The increase results from the merger with REAP which added approximately £700,000, the addition of a total of 37 housing units during the year and new Supporting People contract income from Hillingdon and Croydon. Total costs have also increased by £1,471,956 to £6,259,940.

The operating surplus for the year excluding the REAP donation was £780,519 (10.7% of turnover) compared to a budget surplus of £599,500.

Other income and expenditure activities contributed a net amount of £6,617 (2008 £2,585). This is in line with expectations and is a combination of development activity costs (£146,542) offset by income from management services and sundry items which together contributed a surplus of £41,053. The donation from REAP following the merger added £112,015 income.

Cash balances have increased during the year from £298,763 to £741,079. An additional drawdown of £1,000,000 was made during the year and the funds used for development activities. Current loan covenant requirements have been met.

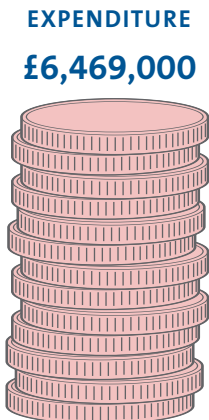
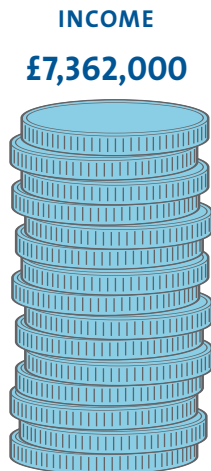


INCOME AND EXPENDITURE ACCOUNT

The following information is taken from our audited accounts; contact us if you would like a full set.

INCOME	2009 £000	2008 £000
Rents & Service Charges	6,441	5,233
Grants, fees & other income	921	400
	7,362	5,633
EXPENDITURE		
Services	4,852	3,635
Operating	1,046	802
Maintenance	425	385
Development	146	98
	6,469	4,920
Operating Surplus	893	713
OTHER ITEMS		
Surplus on disposal of fixed assets	-	115
Interest earned	5	25
Interest payable	(104)	(104)
Surplus before transfers	794	749
Net transfers from / (to) designated reserves	(14)	(90)
Surplus for the year after transfers	780	659

For the year ended
30th September 2009



SUMMARY BALANCE SHEET

At 30th September 2009

	2009 £000	2008 £000
Fixed Assets:		
Housing Properties	32,650	29,238
Less: Social housing & other grants	(23,866)	(22,100)
	8,784	7,138
Other fixed assets	482	527
	9,266	7,665
Current assets	1,247	919
Less: Current liabilities	(851)	(618)
Net assets	9,662	7,966
Loans & long term creditors	2,491	1,588
Designated reserve	300	300
Repairs reserve	833	820
Revenue reserves	6,038	5,258
Capital and Reserves	9,662	7,966

Explaining our Balance sheet:

Balance Sheet

the balance sheet shows the position at a set moment in time – like a snapshot at 30/9/09

Housing Properties

the cost of our homes for rent

Social housing grants

the grants we received

Other fixed assets

the cost of our other assets, like offices, furniture and computers

Current assets

the total of the money we have in the bank and what people owe us

Current liabilities

what we owe other people

Loans & long term creditors

the amount we borrowed from banks to build our homes for rent

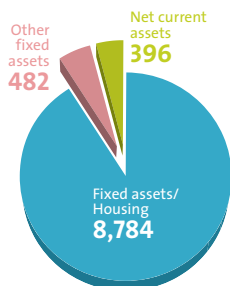
Designated reserves

amounts we have set aside for special purposes, like property improvements

Revenue reserves

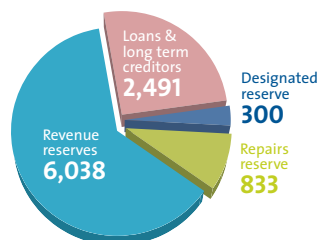
the total surpluses we have made since we have been in business.

NET ASSETS
£000



£9,662

CAPITAL AND RESERVES
£000



£9,662

Board and Staff

at 30th September 2009

Ability Housing Association
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Board

John Daley (Chair)

Yvonne Akinmodun

Nazlee Aziz (resigned May 2009)

David Brown (appointed May 2009)

Peter Cleland (resigned May 2009)

Jane Coleman

Wendy Crichlow

Keith Hailstone

Michael Hoad

Rosemary Houseman

Nabina Mitra (appointed May 2009)

Adrian Polisano (appointed May 2009)

Executive Directors

David Williams

Chief Executive

Donna Marshall

Finance Director and Company Secretary

Richard Strudwick

Corporate Services Director

Rita Nath-Dongre

Customer Services Director

Steven Hurrell

Partnerships & Development Director

Registered Office

The Coach House, Gresham Road

Staines, Middlesex TW18 2AE

Company Number: 1261380

Charity Number: 271547

Registered with the Tenant Services
Authority, Number LH 2174

Auditors: Grant Thornton UK LLP

Solicitors: Devonshires

Bankers: Lloyds TSB Bank plc