

Delivering our promises

EastendHomes

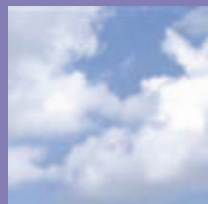
Annual Report 2005/2006

About EastendHomes

EastendHomes was formally registered as a social landlord with the Housing Corporation in February 2005. As an RSL we must comply with the Corporation's Regulatory Code and Guidance which is designed to ensure that RSLs are viable, well managed and properly governed. EastendHomes is also a Registered Charity. This means that we must comply with the strict Rules and Regulations laid down by the Charity Commissioners.

EastendHomes is committed to involving residents in the provision of local housing services. Residents are encouraged to play a major role in helping to set up and run Estate Management Boards, Community Housing Trusts and other forms of local housing service organisations. EastendHomes believes that resident involvement is the key to ensuring that housing services are provided effectively and in a way that meets the needs, priorities and aspirations of residents.

This annual report covers our first year of operation as an RSL from 1 April 2005 to 31 March 2006.



Chair's message

Welcome to the first ever Annual Report from EastendHomes.

2005/6 was a landmark year for many reasons. It was our first year operating as a Registered Social Landlord (RSL) after we completed the transfer of over 2800 council homes on the Mile End east, Island Gardens and St George's estates. We also opened a new housing centre at Wager Street on Bede estate in Mile End, and refurbished the former Island Gardens local housing office at Galleon House. We also started estate services at St George's estate in premises kindly lent to us by the Tenants & Residents Association and the OAP Club at Swedenborg Gardens. Elsewhere, more estates were balloted and chose to join EastendHomes. We look forward to welcoming them when we complete these transfers in the autumn of 2006.



I am particularly proud to be the Chair of a resident led organisation like EastendHomes. We are genuinely committed to involving residents in providing and improving local housing services on our estates. I very much hope that since the transfers residents have begun to see real improvements to their estate. On behalf of the EastendHomes board I would particularly like to thank all those residents who have generously given their time, energy, and commitment to working with us to improve services and to help develop the regeneration programmes on their estates.

I am pleased to report that over the past year the EastendHomes board has continued with a very full programme of work which we started as a Shadow Board prior to our registration as an RSL. In a relatively short space of time the board has overseen the setting up of the new organisation and its transition to a fully fledged operational housing service provider, with a very ambitious programme of improvements and regeneration on our estates.

That work is now really beginning to take shape on site and residents are seeing at first hand improvements such as new kitchens and bathrooms to their homes. The scale of this work will increase significantly over the next few years as we make a start on carrying out the major repairs work to the exterior of the blocks and transforming the physical environment of the estates.

Finally, I hope that you find this Annual Report useful. We have tried to make it concise and informative and we welcome any comments and suggestions you may wish to make.

Martin Young - Chair of EastendHomes

Review of 2005/06:

Looking back over our first year as an RSL

2005/06 has been a year full of changes and challenges. In addition to providing a full range of local housing services, we continued to be heavily involved in the Council's Housing Choice programme. This involved more transfers and more ballots, at the same time as introducing new local housing services and getting ready for the start of our major repairs and improvement programme. This meant that staff and the board had to deal regularly with a very challenging and diverse set of priorities during 2005/6.

Our first milestone after registration as an RSL was the transfer of the Mile End east estates on 11 April 2005. This was followed by the transfer of the St Georges and Island Gardens estates in January 2006. Getting ready for these transfers involved a tremendous amount of work, including putting in place the finance which will enable us to undertake the massive investment in the estates which we promised.

Over the course of the year we were also involved in further ballots at Glamis and Chicksand (West) estates in the autumn of 2005 and the Holland estate in February 2006. All of these resulted in very positive votes in favour of transfer to EastendHomes. There was also a ballot on the Barleymow estate in December 2005 where tenants voted to remain with the Council. Work on the Holland, Chicksand and Glamis transfers is now progressing well and the transfers are expected to be completed in the Autumn 2006.



A tremendous amount of work was also put into the setting up of the organisation and finalising arrangements ready for the transfer of the estates. This included the implementation of a new IT system and completing work to our head offices in Docklands and the local estate offices ready for staff to move in.

Much of the progress and achievements over the past year would not have been possible without the hard work and dedication of these residents who serve on our local housing boards and estate steering groups. The continuing support and commitment of these local board members has been a key factor in helping EastendHomes to develop services in ways that meet local needs and priorities. Increasingly residents are now playing a greater role in how local services are provided and in ensuring that they are directly accountable to the communities we serve. The introduction of new caretaking and cleaning arrangements, with a direct role for residents in ensuring the effectiveness of these services through joint inspections and monitoring, are a good example of this. As we take on more estates we aim to involve more residents in helping to ensure that our services reach the highest possible standards.

This Annual Report also provides information on the progress we have made on our estate improvement and regeneration programmes and how we performed in 2005/6 on a number of key performance indicators including rents, lettings, re-letting empty properties and the repairs service. It also contains information on EastendHomes housing stock as at 31 March 2006 and a summary of our financial position and annual accounts.





Regeneration and the estate improvements programme

- Work started on the Mile End Estates in June 2005 and so far tenants have benefited from over £4.6 million of investment in 500 new kitchens, bathrooms and new secure front doors.
- In the next four years at Mile End alone, EastendHomes intends to invest over £50 million pounds in transforming the area.
- In addition our partnership with Telford Homes will produce new homes for rent and sale while generating investment for our estates.
- EastendHomes is committed to providing community facilities which meet the needs and aspiration of our communities. The partnership with Telford Homes at Mile End will provide both community and cultural facilities and resources to help run them.





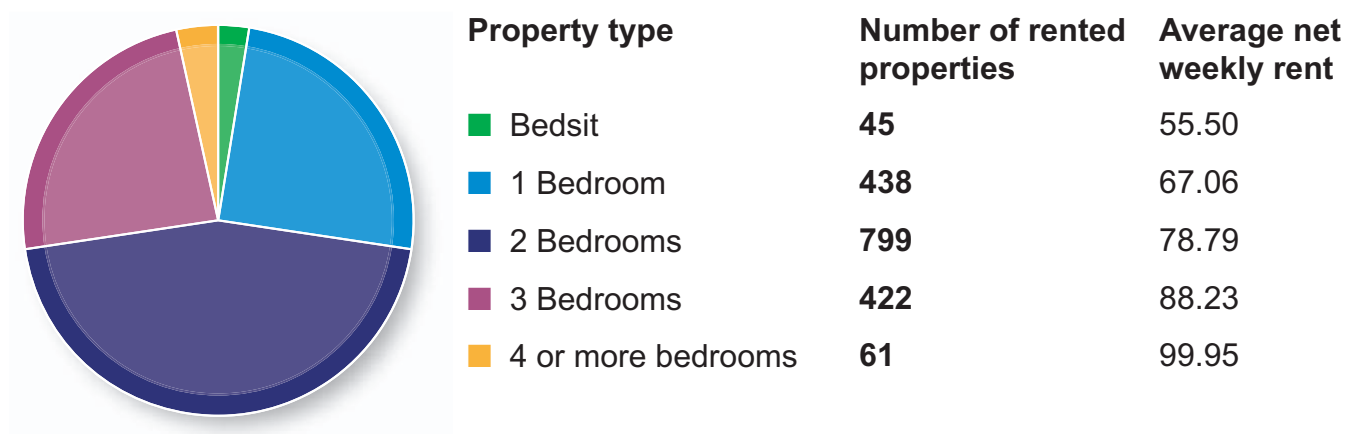
- The EastendHomes Community Fund, supported by our partner contractors, has provided much needed resources to fund a range of valuable community activities and facilities.
- The vote to transfer to EastendHomes by residents of the Westferry, Island Gardens and St Georges estates has meant that the initial investment programme of over £10 million has now commenced. A total program of £43 million for these estates is scheduled over the next five years.
- Residents of the Glamis, Holland and Chicksand Estates have also voted to join EastendHomes. They will soon transfer from the Council following which EastendHomes intends to invest over £40 million in bringing the homes up to the Decent Home Standard and estate improvements.



Our performance

Our Homes

EastendHomes rented housing stock and average weekly rents, including service charges



■ 73 properties were occupied by “non-secure tenants”, awaiting permanent rehousing.

In addition to the above:

■ As of 31 March 2006 EastendHomes managed 1,008 leasehold properties.

■ During 2005/6 16 properties were sold under the Right to Buy (RTB) scheme.

Rent Arrears

EastendHomes performed well on rent arrears during the first year as an RSL. As at week 51 (26.3.06) the percentage of rent not collected was 4.17%. Our target was to better 5.26%.

Our aim is to contact people as soon as possible when they go into arrears with their rent to ensure that any problem they have does not become unmanageable.

EastendHomes is keen to show every consideration to people who have genuine difficulties with paying their rent. However, our first priority is to collect the rent we are owed so the full range of services we have promised can be provided.

Tenants are encouraged to contact their arrears section straight away if they have a problem with their rent. For tenants who live in the Island Gardens area they should contact the Island Gardens Housing Centre on 0207 538 2340. All other tenants should contact the Rents Section at Wager Street on 0208 880 7055.

Empty Properties

Empty properties as at 31 March 2006

| | |
|--|----|
| Available for letting (short term voids) | 11 |
| Undergoing major works or other delays (long term voids) | 13 |

Short term voids are properties awaiting normal repairs to allow re-letting whereas long-term voids are properties requiring major refurbishment.





The average time taken to re-let short term voids in 2005/6 was 34 days. Our target was to be within 35 days. EastendHomes is continually working towards improving void turnaround in order to minimise rent loss and reduce the time properties are left empty.

Lettings

EastendHomes is part of the Tower Hamlets Common Housing Register. This means that EastendHomes tenants can potentially have access to any vacancy that occurs within Council or other partner housing association stock within the Borough.

| Categories | No. of applicant households re-housed. |
|---|--|
| LBTH Homeless | 16 |
| LBTH waiting list | 12 |
| Common Housing Register - Transfer applicants | 19 |

Repairs

| | % of jobs completed in target. | Target % |
|---------------------------|--|----------|
| Emergency (24 hours) | 85  | 95 |
| Urgent (3 working days) | 89  | 95 |
| Priority (7 working days) | 91  | 95 |
| Normal (20 working days) | 95  | 95 |

EastendHomes has worked consistently with our contractors so that the best possible repairs service is provided to residents. Throughout 2005/6 there has been an ongoing improvement in performance and we expect this to continue into 2006/7.

EastendHomes is committed to employing more local handypersons who are able to carry out non technical repairs. Resident feedback suggests this service has proved popular.

Complaints

EastendHomes recognises that the complaints process is an important way of ensuring that mistakes are corrected and service improvements made. From 11th April 2005 to 31st March 2006 four formal complaints were received. Two of the formal complaints were not progressed by the resident.

Who's who

EastendHomes' main decision making body is the board. Members of the board serve on a voluntary basis and are unpaid.

The board is made up of 8 residents from EastendHomes' estates, 4 Tower Hamlets Councillors and 6 independent board members. Each of the resident board members are nominated from their local estate board or steering group.

Set out below is information on EastendHomes board members who served during 2005/6.



Independent Members

Joanna Killian

Joanna is currently acting Chief Executive & Director of Policy, Resources and Performance at Essex County Council.

Joanna was previously the Chief Inspector of Housing for the London Region and Director of Comprehensive Performance Assessment (CPA) at the Audit Commission. She has also been an Assistant Director of Housing (Housing Needs and Regeneration) of a London Borough and has extensive experience at a senior level of housing and project management.

Martin Young

Chair of EastendHomes Board.

Martin is a Barrister at Law. He was a Councillor for the London Borough of Tower Hamlets from 1994-2002 and served on a number of Council Committees during this time, including the Housing Committee and the Standards Panel.

He has been Chair of the Local Area Partnership 8 (LAP8) from 2002 to the present, and is currently Vice Chair of the Isle of Dogs Community Foundation

Lesley Johnson

Lesley is a Director of Johnson Pancucci Limited, a housing regeneration and communications consultancy working in area renewal throughout the country. She has worked on a number of stock transfers and delivery of large-scale housing refurbishment and new build projects, particularly in areas with existing communities.



Neil McAree

Neil is currently a Head Teacher and has been in the teaching profession for over twenty years. He has also served as a local Councillor in Tower Hamlets for twelve years. As a former Councillor and resident of the borough, he knows Tower Hamlets very well. Prior to becoming an EastendHomes board member, Neil was an independent co-opted member of the Mile End Community Housing Trust.



Councillors

Councillor Denise Jones

Denise Jones is Leader of Tower Hamlets Council and a Councillor for the St Katharine's & Wapping ward



She is also a Council representative on a number of outside bodies; including the ALG Culture & Tourism Committee, the Arts Council, the Womens' Library Council, the National Museum of Childhood, Bethnal Green and the Local Area Partnership 4. She is a Governor at Mulberry School for Girls and a Board member of Half Moon Young Peoples' Theatre, Wiltons Music Hall Trust, the Trinity Buoy Wharf Cultural Quarter, and the Rich Mix Cultural Foundation.

Cllr Jones was a teacher in Tower Hamlets junior schools from 1970 - 1975. She is a founder member of Eastside Arts & Bookshop in Whitechapel and of Stepney Books Publications. She was given the Freedom of the City of London in 2002.

Councillor Motin Uz-Zaman

Motin Uz-Zaman has been a Councillor in Tower Hamlets since 1998 and represents the Council on a range of Panels and Boards. He is a trustee of Bromley by Bow Centre and a board member of Poplar HARCA, which, like EastendHomes, has estates in the Mile End east area. Cllr Uz-Zaman currently chairs the Public Transport Forum and one of the Local Area Partnerships. He is actively involved as a School Governor and he works as a Director for an educational charity.

Cllr Uz-Zaman was a Cabinet Member for several years, serving as Lead Member for Equalities & Social Inclusion until 2002 and Lead Member for the Environment until 2005. He is currently Chair of the Council's Overview and Scrutiny Committee.



Resident Members

Bernard Cameron

Bernard is Vice Chair of EastendHomes' Board and also the Chair of the Mile End Community Housing Trust

He has devoted considerable time, energy and commitment over many years to promoting a safer environment in Tower Hamlets and to helping improve conditions and facilities in the Mile End area.

From 1995, he was chair of the Bow South Police Sector Group working closely with local police and the community to ensure a better policing response to his local community. He has also been Chair of the Tower Hamlets Boroughwide Tenants Compact Group.

Bernard has been active in the British Street Tenants' and Residents' Association for over a decade and devotes much energy and time to raising funds to provide facilities for the local community in Mile End east.



Mary Nepstad

Mary is the Chair of St George's Estate Steering Group

In addition to active membership of her local Tenants' and Residents' Association, Mary is a member of the Tower Hamlets pensioners Forum, the Greater London Forum (GLF), and also the London Older Peoples Strategy Group (LOPSG) which is associated with the Greater London Authority. She also supports the National Pensioners Convention in their endeavours to obtain better conditions for all pensioners.



As a governor of the St Katherine and Shadwell Trust, Mary is a member of the panel which administers grants to local organisations from the Neighbourhood Renewal Community Chest (NRCC).

Margaret Clarke

Chair of Glamis Estate Steering Group

Margaret was a founder member of the Glamis Tenants' & Residents' Association when it was set up in 1978. She has lived on the estate since 1966 and been the Chair of the TA for the last 10 years. Throughout her life Margaret has been active in local charitable work including the running of a local youth club. When not looking after her family, Margaret worked for the Civil Service gaining valuable bookkeeping experience, which has helped Margaret support many of the community groups with which she has been involved.

Margaret is a member of the St Katharine's Charitable Trust and a former member of the Tower Hamlets Council Borough Wide Tenant Compact Group.

Tom Madden

Chair of Westferry & Cubitt Town Joint Steering Group

Tom represents the Island Gardens/Westferry area on the EastendHomes board. He was born in Southern Ireland and came to live in Tower Hamlets in 1953. He has lived on the Westferry estate for over 20 years and was a founder member of the Westferry Tenants and Residents Association in 1982.



Tom has been Chair of his TRA for many years and has also been a member of the Isle of Dogs Tenants Council and the Police Consultative Committee for the Island. Tom has been retired for over 15 years and has spent much of his retirement campaigning for improvements to the Westferry estate and the surrounding area.

Brajesh Prasad

Chair of the Holland Estate Management Board

Brajesh has been a resident of Holland estate for over 30 years. He is a local businessman and Chair of the Toynbee Street Shopkeepers Association, an area which includes the famous Petticoat Lane. He holds a degree in Law and MA from Ranchi University, and has previously been a University Lecturer in India.



He is currently Chair of the recently formed Holland Estate Management Board and is particularly interested in developing facilities and activities for the young people on Holland estate. He is also active in promoting health awareness issues in the local community and for a number of years has been running an informal advisory service on the Holland estate. For many years he has been Chair of the RIB Talking Book Library for the Asian Blind.

The following are no longer board members:

Jack Bradley

Independent board member (resigned due to work commitments)

Richard Roberts

Resident member (resigned following ballot at Barleymow estate)

Ashton McGregor

Councillor member (no longer a member following local council elections in May 2006)

Abdal Ullah

Independent member (resigned following election as a local Councillor in May 2006)

Louise Alexander

Councillor member (no longer a member following local council elections in May 2006)

Staffing

EastendHomes employed 61 members of staff as at 31 March 2006. The vast majority of staff joined the organisation from the Council through the TUPE process as part of Housing Choice.

The Senior Management Team of EastendHomes is as follows:

Paul Bloss

Chief Executive

Patrick Shaw

Director of Finance & Resources

John Henderson

Director of Housing

Steve Inkpen

Director of Regeneration & Strategy

Summary of accounts to 31 March 2006

Building financial strength in the early years of any new company's operations is a key factor in ensuring their long term success in the future, and EastendHomes is no different in this respect. During our first year we built up reserves of £638k and invested £4.6m in our housing properties.

This initial investment is part of a £100m programme, funded by government grants of £9m, long term funding from our lender of £45m and the remaining £46m from our housing operations.

EastendHomes' audited accounts are available on our website at www.eastendhomes.net or by contacting the Secretary, EastendHomes Ltd, Tayside House, 31 Pepper St, London, E14 9RP.

Summary Accounts to 31 March 2006

Income and Expenditure Account for the year ended 31 March 2006

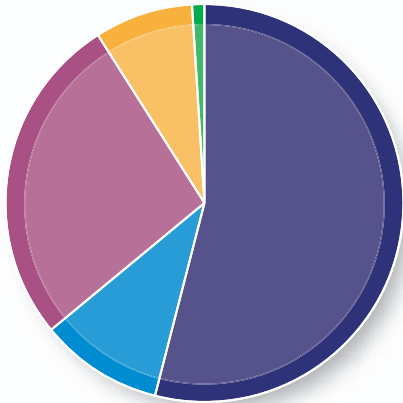
| | 2006 |
|--|----------------|
| Turnover | 5,323,614 |
| Operating Costs | (6,384,271) |
| Operating Deficit | (1,060,657) |
| Surplus on sale of housing properties | 1,568,387 |
| Interest receivable and similar income | 145,451 |
| Interest payable and similar charges | (14,647) |
| Surplus for the year | 638,534 |
| Revenue reserves at beginning of year | - |
| Revenue reserves at end of year | 638,534 |

Balance Sheet as at 31 March 2006

| | |
|---|------------------|
| Tangible fixed assets | |
| Housing Properties | 7,414,023 |
| less: | |
| Social housing grant | (10,137) |
| Other capital grants | 0 |
| Depreciation | (96,273) |
| | 7,307,613 |
| Other tangible fixed assets | 718,839 |
| | 8,026,452 |
| Current assets | |
| Debtors | 1,773,207 |
| Cash at bank and in hand | 11,976,826 |
| | 13,750,033 |
| Creditors: Amounts falling due within one year | (13,996,833) |
| Net current assets/(liabilities) | (246,800) |
| Total assets less current liabilities | 7,779,652 |
| Creditors: Amounts falling due after more than one year | 6,649,118 |
| Provision for liabilities and charges | 677,000 |
| Capital and reserves | |
| Non equity share capital | - |
| Income & expenditure account | 453,534 |
| | 7,779,652 |

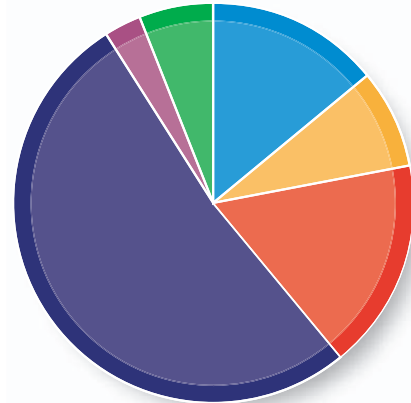
Income

- Interest Receivable 1%
- Service Charges 8%
- Rental Income 27%
- Surplus from Sale of Properties 10%
- Capital Grant 54%



Expenditure

- Other Expenses 3%
- Fixed Assets 6%
- Management 14%
- Services 8%
- Repairs 17%
- Major Works 52%



Language options and translations



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Copies of this annual report can be made available, on request, in a range of formats including:

- Translation (including Bengali, Somali and other community languages)
- Braille
- Large print
- Audio tape

To request a different format, please ask at your local housing office or at our head office in Tayside House, 31 Pepper Street, London E14 9RA.

EastendHomes

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EastendHomes is a registered social landlord and registered charity no: 1107691