



# ANNUAL REVIEW 2014:15

8,164,791  
2,089,544  
7,318,066  
8,681







AWO KWAPONG POSTGRADUATE STUDIES IN PHYTO CHEMISTRY

## WELCOMING HOMES

DR HIMADRI BUSHAN DAS  
POSTGRADUATE ENGINEER,  
WITH DAUGHTER DRITHI AND  
WIFE PREETHI ARJUNAGI



It was 'London calling' for us in the cold winter month of January. The reason: my husband Himadri was planning to spend four years pursuing his doctorate at one of the prestigious universities in London.

As a mother I worried about making my daughter comfortable in a completely different environment. I was anxious as a wife about our family's safety.

The million dollar question was how to find a house near central London at an affordable price. With the beer money of scholarship, we could not lead the champagne life.

House hunting started by making calls from India to London letting agents. They suggested houses far from our budget. Perturbed, we started looking at websites.

We found mention of Ducane on the website of a leading university. The deal seemed surreal – affordable rent, congenial atmosphere and quite near Himadri's university in central London.

I was sure we would be hit by hidden costs and we were not sure we would get a place but our stars were shining bright and we got an offer within five months.

We arrived at Heathrow on a freezing Friday night. Uncertainty hovered. 'How

would we survive?!' The taxi dropped us in front of Ducane's office. The street lights seemed to be desperately waiting for people. Cars vroomed by as if in Formula One – a complete contrast to the hustle bustle of India.

It has now been 1.6 years since we moved to Ducane. A wonderful journey. There were no hidden costs and no safety compromises. The estate is very well maintained, although there is scope for improvement.

My heart no longer shrieks in anxiety with neighbours from Iran, Saudi, and Malaysia. I realise they are just like us. We all just want to be happy and secure in this foreign land.

In no time we made our new house a 'home'. But with the amiable surroundings and warmth it has been much easier. Thank you to Ducane Housing Association for making 'my home away from home' in London.

“ Thank you to Ducane Housing Association for making 'my home away from home'

EDITED BLOG BY  
DUCANE TENANT  
**PREETHI ARJUNAGI,**  
PUBLISHED  
8 MAY 2015

The UK was not an alien country. Both my husband and I had been in the UK for our higher education. But this time it was as a family, together with our five-year-old daughter.

I came across this line in one blog: 'When you travel, remember that a foreign country is not designed to make you comfortable. It is designed to make its own people comfortable.'

99%

### FIRST CALL OUT

We attend emergency repairs within two hours, urgent repairs within one day and sort out routine matters within two days. In the first three months of this year 99% of all repairs tenants reported to us were remedied on the first visit.

“ I am in my third year at the School of Pharmacy at University College London, with one year to go. It's easy to get to college from here within 30 minutes because it's in zone two. Maintenance is excellent. They are very prompt with their response to my repair requests and housing management is also excellent.

I am very happy with how things are done here. I would definitely recommend Ducane to other students and friends. It's a good environment for learning, the staff and people are friendly, it's a great location and the rent is really good value.

AWO KWAPONG







JENNIFER SIMONETTO AND MICHAEL FURMAN  
RESEARCH FELLOW, NATIONAL HEART & LUNG INSTITUTE

## MEASURED GROWTH



Hammersmith MP Andy Slaughter addresses guests at the official opening of Dorothy Hodgkin House, with Hammersmith & Fulham mayor Cllr Mercy Umeh

We are proud to be one of the few small housing associations still building new homes in London let at reasonable rents.

In May we completed Dorothy Hodgkin House, right on budget. The 31 flats we hope to either let them to people working locally or from the area, using the nominations system run by Hammersmith & Fulham council.

New schemes like this in inner London are becoming rare. Too many other small housing associations are leaving their capacity to build untapped so we are pleased the Greater London Authority has taken on board practical suggestions, drawn from our g320 research, that we hope will get many more smaller associations building again.

Our own building plans are briefly on hold to give our balance sheet space to 'recover', a prudent move that meets our lender's gearing requirements.

In the meantime talks with neighbouring housing

associations are offering other ways to expand our operation. Octavia Housing has bought a block of 24 flats on the Du Cane Road from the Ministry of Justice. After Octavia refurbishes the flats we hope to either buy or manage them – negotiations are ongoing.

These are just small interventions at a time of crisis. We are concerned that little is being proposed at government level that will address the chronic shortage of genuinely affordable rented housing in London and share the view of many housing experts that measures announced in the recent budget would prove counterproductive.

We are aware that discussions on the autumn Housing Bill are still in hand and hope the suggested extension of right to buy to housing associations will take into full account the negative effect that losing assets would have on our capacity to borrow to build new homes. It is unlikely the proposed compensation

would fully cover the cost of replacing lost stock.

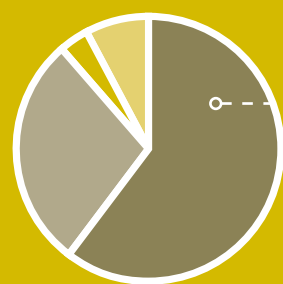
A second concern would be added pressure on staff managing blocks if some flats move into private ownership. Inevitably any replacements would be further afield so running costs would rise.

It is worth noting that the cost of both our new homes and recent modernisation works came largely from loans raised privately in the City. Any surplus made on our operations helps to pay back these loans.

The proportion paid for by public grant is now minimal and shrinking, with less than 18% of the £5.4m cost of Dorothy Hodgkin House covered by grant.

Finally, my sincere thanks to the team here at Ducane, and to our board, advisers, lenders, the GLA and contractors Vascroft for helping make Dorothy Hodgkin House such a success.

**MIKE WILKINS**  
CHIEF EXECUTIVE



88%

### QUALITY OF HOME

Tenant satisfaction with the quality of our homes remains very high, ranking us above the medians for our peers in the g320 group of small London HAs (86%) and in benchmarking carried out by SPBM (86.5%) and Housemark (84%).

“ It's brilliant living two minutes from the heart failure department. Heart transplant tissue can arrive at any time, day or night, so I can respond immediately, helping our research on transplants. Maintenance is taken care of straightaway and we are very happy with how housing management deals with us, especially [senior housing officer] Ann

[Barrett] who is very skilled at getting the message across in her emails but with a good attitude. You need to develop more properties, especially for single students as they only have Vellacott House. We will miss Ducane very much. We feel part of a small community and have made some good friends.

MICHAEL FURMAN





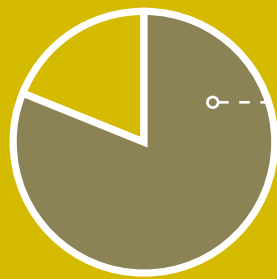
Back window: south-facing balconies at Dorothy Hodgkin House offer our tenants a panoramic view of London

## SENSIBLE SERVICES

Each year we test how tenants view our services. We were pleased, last year, that 81.3% rated us highly for communication, saying we also listen to and act on their views. The median score for our peers is 73%.

Internet use by our tenants is high, with 92.4% saying they prefer us to contact them by email. Repairs are reported to us online via our own bespoke mobile app, launched last year. Most applications to rent a Ducane flat from us also come through our website. There was a disappointing dip in tenant satisfaction, down from 97.6% the year before. Our goal is a return to 97% or higher. We consider the cause to be the performance of a contractor remedying its own defective works. This is now much improved but the

issue of some unacceptable delays is still to be resolved. In response to feedback on cleaning we have taken on two extra staff for our in-house maintenance team. Their job is to keep the estate spotless and to clean any vacated flats before new tenants arrive. We are also replacing some fittings in recently modernised flats, including cookers, carpets and showers. Standard fittings are now seen to be a false economy as too many are found to develop faults unacceptably early on.



81%

### COMMUNICATING

Satisfaction with the way we communicate with our tenants leapt by 10% over the year. All those surveyed were very satisfied that we keep them informed about things that might affect them as a tenant.



I'll finish my studies this year and will be moving home to Nigeria where I hope to get a job with a lectureship at my university. My wife has looked at the local rents so we realise that Ducane's rents are very reasonable. I think the close contact with tenants is beautiful. Tenants feel they can come here to discuss anything that worries them. It's not

like other landlord relationships. Ducane's email contact with tenants is especially good and everyone at least reads the messages as we all look at our email daily. It was so good to have my family here with me and we felt safe and secure, with no worries. We'll go back with happy memories.

ANTHONY OKOLO

Running costs	Home standards	Housing costs	Landlord's efficiency
Annual turnover: <b>£2.09m</b>	Repairs targets: emergency <b>2 hours</b> urgent <b>1 day</b> routine <b>2 days</b>	Rent collected, as %age of all rent owed: <b>100%</b>	Number of flats relet over the year: <b>44</b> (18% of total)
Operating costs as % of total turnover <b>Ducane HA 52%</b> g320 median 71.03% SPBM median 73.6%		Rent in arrears, as %age of annual rent debit: <b>1%</b>	Average turnaround time of empty flats: <b>18</b> days
Weekly cost of management: <b>£25.47</b>	All repairs completed on first call-out: <b>99%</b>	Uncollected rent written off as a bad debt: <b>0%</b>	Overall rating for last contact with landlord: <b>80.6%</b>
Current weekly investment in each home: <b>£15.14</b>	Current spending on maintenance as % of rent budget: <b>5.59%</b>	Tenants claiming housing benefit as %age: <b>0.42%</b>	Tenants agreeing that we: are easy to contact: <b>87%</b> keep them informed: <b>100%</b> take our tenants' views into account: <b>71%</b> involve tenants on board: <b>85%</b> handle complaints well: <b>73.6%</b>
£12m spent refurbishing the estate over past four years	Current maintenance spend breakdown: reactive <b>91.22%</b> , planned <b>8.78%*</b>	Rent arrears compared: <b>Ducane HA 1%</b> g320 median 2.89% SPBM median 2.82% Housemark median 2.74%	
	Average energy efficiency rating: <b>84</b> (g320 median: 75)		
	%age of homes with a gas safety certificate: <b>100%</b>		

\* just one block now needs planned maintenance works





Inside view: below, a typical furnished family flat



## GREAT VALUE

We have long been a prudent steward of our finances, consistently generating steady returns from rental income each year that allow us to pursue further growth without undue risk.

All of our tenants are in moderately well-paid public sector jobs locally or carrying out high level postgraduate research.

Our overseas students typically get a grant or bursary from their own government to cover their education and housing costs while in London but we know many are shocked by the high rents private landlords now charge.

Given the very well documented economic benefits to the UK of attracting high level medical and engineering research, we have long known that it makes sense to offer postgraduate students a housing service that allows them to stay long enough to complete their degree and lets those with family stay together for the duration of their studies.

We operate with minimal outsourcing, employing our own maintenance, cleaning and decorating staff. This gives us direct control over their work standards and employment conditions.

All are paid, as a minimum, the London living wage.

We are acutely sensitive to any threat to our long term financial security.

We regularly map all risks and systematically assess probability and impact. Our findings are reported regularly to the board along with mitigation measures.

Our board is now carefully evaluating the implications of rent cuts announced in the last budget.

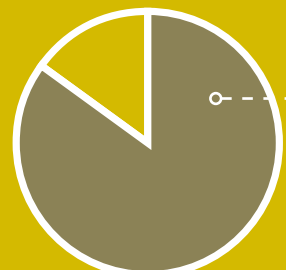
We intend staying true to our long established goal of providing affordable rented housing for mature students and keyworkers so our priority now is identifying the best way to safeguard our finances and operation.

We are also upgrading our asset register in line with the regulator's latest requirements.

All these efforts will be scrutinised by our new audit committee, set up this year with the specific remit of helping the board consider internal and external audit briefs and reports, along with risks to the business.

Bearing in mind the high cost of living in London, in late 2014 we cautiously raised rents on new lettings to 70 per cent of the local market rate at the time.

This helps pay for our new homes without putting unreasonable strain on household budgets. Indeed last year 85% of our tenants agreed that their rent and service charges represented money well spent.



85%

### VERY GOOD VALUE

Our 2014 survey found 85% of tenants satisfied that our rent and service charges equally represent very good value for money.

85%

“ I complete my PhD in December 2016.

It is very convenient living here because the coach leaves for the South Kensington campus at different times daily. I can also use Imperial's library so don't need to go to South Kensington every day and can study at weekends. My husband is also a student and uses the library. The housing

staff are very friendly and maintenance is prompt.

There could be more activities in the play area and CCTV would be a good idea. But I will leave here with a good impression. The rent is competitive and it's very conveniently located and close to shopping places.

PUNITHA SILIVARAJOO



## GOOD GOVERNANCE

This was the last year as chair for Pete Redman. After joining us in 2011, Pete oversaw our most ambitious drive for growth since 1973 and the complete refurbishment of all but one block of our flats. Pete is now fully focused on his work as a director at TradeRisks and we wish him all the best.

Shani Mashood has also left our board after nine years of service. We will miss her valuable input on governance and housing development.

Board members serve a maximum of nine years and are recruited and vetted independently through consultants Campbell Tickell.

The board has this year agreed to adopt the new code of governance drawn up by the National Housing Federation.

Over the past year board members have completed a thorough appraisal of our board strengths and weaknesses. Our chief strengths, they concluded,

are good strategic oversight and performance scrutiny.

They also recommended we make some changes to the way board reports are presented and to the way specialist committees work.

Tenant representation on our board provides a healthy balance, with at least one tenant giving the perspective from users of our service. Two tenants currently serve on our board: Preethi Arjunagi, whose edited blog opens this year's report, and James Krishnan.

The board meets four times a year to discuss strategy and review our work performance, policies and standards. Meetings are supplemented by a once-yearly away day.

Members with specialist expertise serve on four committees focused respectively on audit, development and asset management, governance and staff remuneration.

### SIMON DEVITT, CHAIR 2015 -

Freelance consultant advising on property management, development and affordable housing for councils, registered housing providers and property developers. Joined 2012

### PETER REDMAN, FORMER CHAIR

Managing director at TradeRisks and a housing specialist with extensive senior level experience, including nine years as group chief executive of Notting Hill HT, chief executive of Leeds Federated HA, interim director of housing at Southwark and chief executive of ALMO Lambeth Living. Served from 2011 until 2015

### PREETHI ARJUNAGI, TENANT REPRESENTATIVE

Ducane tenant with an MSc in automotive engineering and eight years' industry experience. Husband is studying electrical engineering at Imperial College. Joined March 2015

### ANGELA EPPS

Interim development director for special projects at Peabody Housing. **Lead on development 2014.** Joined 2014

### MALCOLM HOLLOWAY

Former finance director at Islington and Shoreditch HA. Qualified senior accountant with experience of treasury and tax issues and large capital projects. **Lead on finance.** Joined 2014

### RACHEL JOHNSON

Head of finance at Café Direct. Senior accountant specialising in strategic planning and development, financial strategy and corporate governance. Joined 2014

### JAMES KRISHNAN, TENANT REPRESENTATIVE

Ducane tenant studying for a LLB (law degree) as an external student, while his wife does a PhD in environmental policy at Imperial College. Joined September 2014

### RICHARD PUDNEY

Former project management director and consultant to a major international company, helping plan and commission major civil engineering projects. Joined 2013

### DR OMAR QASSID, TENANT REPRESENTATIVE

Research fellow and specialist registrar in cellular pathology at Hammersmith Hospital Imperial College. Served one year in 2014

### ALEXANDRA THEAKER

Head of business partnering at Circle Housing. Expert in marketing, customer service, managing relationships and business development, particularly for social housing. **Lead on customer service.** Joined 2014

### SHANI MASHOOD

Works for the BBC as an IT and transformation specialist. PRINCE 2 practitioner certified. Served 2006 to 2015

### EUGENIE WHITE

Former chair of Hammersmith United Charities and Groundwork London. Extensive finance experience, including 20 years as a stockbroker and investment fund manager. **Lead on governance 2014.** Former Hammersmith councillor. Joined 2010.

## PRUDENT FINANCE

	DUCANE GROUP		DUCANE HA	
	2014	2013	2014	2013
	£	£	£	£
<b>INCOME AND EXPENDITURE FOR YEAR ENDING 31 DECEMBER 2014</b>				
<b>Turnover</b>	2,089,544	1,995,084	2,083,422	1,989,929
Operating costs	<u>(1,089,829)</u>	<u>(1,016,476)</u>	<u>(1,083,707)</u>	<u>(1,011,321)</u>
<b>Operating surplus</b>	<b>999,715</b>	<b>978,608</b>	<b>999,715</b>	<b>978,608</b>
Interest receivable and other income	5,254	3,317	5,254	3,317
Interest payable and similar charges	<u>(252,021)</u>	<u>(248,374)</u>	<u>(252,021)</u>	<u>(248,374)</u>
<b>Surplus for the year on ordinary activities</b>	<b><u>752,948</u></b>	<b><u>733,551</u></b>	<b><u>752,948</u></b>	<b><u>733,551</u></b>
<b>BALANCE SHEET FOR YEAR ENDING 31 DECEMBER 2014</b>				
Housing properties – completed	19,328,173	19,599,337	19,328,173	19,599,337
Housing properties – under construction	4,378,238	1,962,956	4,378,238	1,962,956
Less: social housing and other grants	<u>7,029,367</u>	<u>7,031,867</u>	<u>7,029,367</u>	<u>7,031,867</u>
	16,677,044	14,530,426	16,677,044	14,530,426
Office premises	401,163	407,044	401,163	407,044
Other fixed assets	347,370	389,089	347,370	389,089
Investment in subsidiary	-	-	1	1
	<b><u>17,425,577</u></b>	<b><u>15,326,559</u></b>	<b><u>17,425,578</u></b>	<b><u>15,326,560</u></b>
<b>Current assets</b>				
Debtors: amounts receivable within one year	65,692	70,684	92,292	90,536
Cash at bank and in hand	<u>747,092</u>	<u>573,489</u>	<u>718,669</u>	<u>552,220</u>
	812,784	644,173	810,961	642,756
<b>Less creditors</b>				
Amounts falling due within one year	<u>920,295</u>	<u>1,115,680</u>	<u>918,473</u>	<u>1,114,264</u>
<b>Net current assets/(liabilities)</b>	<b><u>(107,511)</u></b>	<b><u>(471,507)</u></b>	<b><u>(107,512)</u></b>	<b><u>(471,508)</u></b>
<b>Total assets less current liabilities</b>	<b><u>17,318,066</u></b>	<b><u>14,855,052</u></b>	<b><u>17,318,066</u></b>	<b><u>14,855,052</u></b>
<b>Creditors</b>				
Amounts falling due after more than one year	8,153,260	6,443,197	8,153,260	6,443,197
<b>Capital and reserves</b>				
Called-up share capital	15	12	15	12
General reserves	<u>9,164,791</u>	<u>8,411,843</u>	<u>9,164,791</u>	<u>8,411,843</u>
	<b><u>17,318,066</u></b>	<b><u>14,855,052</u></b>	<b><u>17,318,066</u></b>	<b><u>14,855,052</u></b>

## REGISTERED OFFICE

11 Du Cane House  
101 Du Cane Road  
London W12 0UR

☎ 020 8735 4990

☎ 020 8735 4991

[enquiries@ducaneha.org.uk](mailto:enquiries@ducaneha.org.uk)

[www.ducaneha.org.uk](http://www.ducaneha.org.uk)



Ducane HA is registered with the Financial Conduct Authority under the Cooperative and Community Benefit Societies Act 2014 No 20210R and with the Homes & Communities Agency No L0307

Ducane Commercial Services Limited, registration No 5325808, is a wholly owned subsidiary of Ducane Housing Association

## EXTERNAL AUDITORS

Beever and Struthers  
15 Bunhill Row  
London EC1Y 8LP

## INTERNAL AUDITORS

Moore Stephens  
150 Aldersgate Street  
London EC1A 4AB

## BANKERS

National Westminster  
Bank plc  
Park Royal Branch  
1 Abbey Road  
London NW10 7RA

## SOLICITORS

Trowers and Hamlins  
3 Bunhill Row  
London EC1Y 8LP