



annual review





Mohammed Abdelsalam, postgraduate student of Imperial College at the civil and environment department

“I find all of the staff very friendly and so far we are enjoying our stay. We only moved in three months ago but feel we know everybody already. I have found the new website useful and three of my friends took a look at it and, on the basis of the information provided, decided to apply to Ducane for a flat for their families.

My wife has settled in very well in the neighbourhood and Ducane can always give us information, not just locally but also about landmarks like Hyde Park, museums and green areas to help the environment as our family loves to be outside enjoying nature.

Our offices are within easy walking distance for all of our tenants



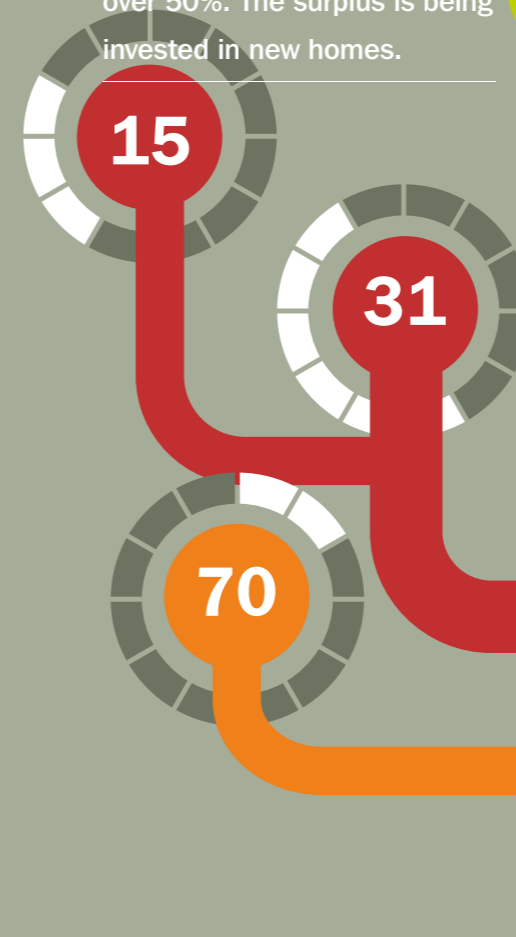
Established in 1973	Professional profile of clients postgraduate students ↑ 65% ↓ 35%
206 Good quality furnished flats for rent in west London	public service employees Rents set around of rate charged by private landlords 60%
67% of students are on a UK study visa	£229 average weekly rent for a two-bedroom furnished flat
£3bn	No of years most student tenants stay 1-3
2012/13 income raised by higher education institutions in England through tuition fees and education contracts paid by non-EU students	

growth

Between 2010 and 2015 we will, on average, have added another 15 homes to our stock each year, for rent at 60% of the local market rate.

In early 2015, we will complete 31 new homes for people employed locally by health or education services or by the police force.

We have for the third year running cut operating costs, from 74% of turnover to just over 50%. The surplus is being invested in new homes.



Small housing associations could build more than 15,000 new homes in London over the next 10 years. This is the message of new research from Altair, commissioned by Ducane and the g320.

Altair found the main factors holding back some smaller associations are a failure to stretch borrowing capacity, little appetite for risk and a lack of in-house experience.

The two last points have also been identified as obstacles to growth by the Joseph Rowntree Foundation.

This needs to change. The very high price of renting or buying in London is pricing out lower and middle income households.

Smaller associations are part of the solution. We have, between us, the resources, the skills, the experience and the imagination to build new homes, at minimal risk and at maximum value for money.

Ducane is in the happy position of being able to buy and build on land in our patch of west London. We run a tight ship but regularly make a surplus from our housing and leasehold operations, and we invest this in development.

We avoid unnecessary risk. We build only as much as is sensible, and within our balance sheet capacity.

We borrow only as much as is safe, keeping under the maximum allowed by our lenders.

In January 2015 we will complete 31 new flats. Dorothy Hodgkin House will be let at rents well below the market rate for Hammersmith & Fulham, making it affordable to workers paid a modest public sector wage.

London's housing shortage will not be solved by small associations like us but we help. We see it as our mission to build as and where we can, leaving sufficient resources to keep all our homes in good repair for many years ahead.



Khalid Mohammed Alfa Al Haj, research fellow in civil and environmental engineering at Imperial College

“My wife goes to the local community centre most weeks for meetings, the crèche, and Arabic lessons for children.

She was very scared before we came to the UK, worried about community and the different cultures. However she enjoys the social life and has even helped introduce new tenants to the nearby shops and markets.

It is nice that Ducane runs events like Halloween and Eid celebrations and my boys so enjoyed the football training. They keep asking if it will run again this year.

We have made many friends who we will keep in touch with whatever happens. We wish we could stay with Ducane forever!

Our qualified coach (and housing officer) with young trainees



2013 staff attitude survey	Ducane's top achievements in the past three years	
100%	1	success as a property developer
agreed Ducane is a good employer to work for	2	continued focus on core business
92% of stakeholders say the professionalism of Ducane staff is good or excellent	100%	rated Ducane staff good or excellent people to work with
	2013 stakeholder survey	
We train staff to enhance their skills and allow them to undertake a broad range of relevant and satisfying tasks. We reward good performance and encourage staff to question our practices, and propose better alternatives.		

community

This summer we will again run football training sessions for children, run by housing officer Mary, an FA-qualified coach. Mary also organised a tour last year of Queens Park Rangers' football museum and grounds.

Year-round, we provide a room for classes in Arabic, which 50% of our tenants speak.

For two years now we have funded and facilitated Eid celebrations in July.

Dorothy Hodgkin House will extend our community just a little further east. Our new tenants will be keyworkers, from other parts of the UK or the European Union.

They will have use of the many shared facilities we provide on the estate, including a children's play area, meeting rooms and off-road parking. Our staff are just a short walk away at the heart of the estate.

Helping tenants to feel part of our community is a role we enjoy. Our postgraduate student tenants typically stay for just one to three years. Many arrive with family, some with limited English and most from a culture very unlike those common to our corner of west London.

To ease the transition, we fund and organise activities for tenants to meet and socialise and encourage tenant-led activities. One tenant kindly hosted 'meet your neighbour' coffee mornings in the common room throughout last summer.

We provide a room where children are taught Arabic, a language common to half our tenants, to complement their education in a British school.

Almost all of our tenants are advanced users of new media so it has rapidly become an indispensable management tool.

Our Facebook page gives us a fast and effective way to get news out to tenants, to swap views and ideas and promote community events and activities.

We also meet regularly with our very articulate tenants forum to identify aspects of our service they would like done differently.

Feedback from the forum, our annual survey and our tenant meetings is uniformly positive but we constantly strive to improve and update performance by listening and responding to what our tenants tell us.





Balamurugan Annamlal Gurunathan, postgraduate research student in mechanical engineering at Imperial College

“I am lead lecturer at a Malaysian university [that] has sent me to the UK to learn how institutes here teach their students, and to find out what studies have done for developed countries like the UK and USA and how research is carried out.

When I go back to Malaysia I have to adapt this knowledge to teach my students there.

My wife speaks good English and has quickly become familiar with things like self-service checkouts in the supermarkets.

Ducane has a lot of Malaysian tenants so it is nice to mix with them. It is very accommodating of Ducane to provide a room for our children to learn Arabic.

Repairs contractors charge VAT so we keep the work in-house



Operating costs per home		Weekly cost of operations per home £92.²²
Ducane HA	g320 peer median	
50.82%	78.69%	
Cutting our costs		Rent arrears at year end
Operating costs as a percentage of turnover are down from 74% in 2011 to 50.8%	Ducane HA	1%
	peer group median	3.5%
	Rent written off (annually)	
	Ducane HA	.06%
	peer group median	.08%
Collecting the rent		Using limited resources We have made best use of a tiny land 'footprint' by building upwards, on infill sites and buying an adjacent petrol station site – allowing us to also use land once needed as a 'barrier' between this site and our own homes.

We ask tenants every year how satisfied they are:

- with our overall service **97.6%**
- with their home **95.6%**
- with our repairs and maintenance service **97.3%**
- that we listen to tenants and act on their views **81.3%**
- with their rent as 'good value for money' **91.6%**

good value

More than nine in 10 of our tenants say our rents represent good value for money, a rating higher than that given to most other associations charging much lower rents.

Throughout the year we assess the value of every activity to identify ways to achieve best value for money from our limited resources: land, people and income.

We have a very limited land 'footprint' yet have found ways to add 75 new homes here, with the addition of just one small adjacent site.

We are one of the few housing associations still employing its own direct labour team for almost all of our maintenance work.

This means our repairs budget goes solely on labour and materials and not on VAT or towards the profits of external maintenance contractors.

Our membership of the g320 allows us to benefit from economies of scale not usually available to smaller organisations.

We have been getting some services more cheaply by jointly buying them with other small London housing associations (HAs). This year, through a deal with a much larger national HA, we hope to save even more by using their bulk buying power.

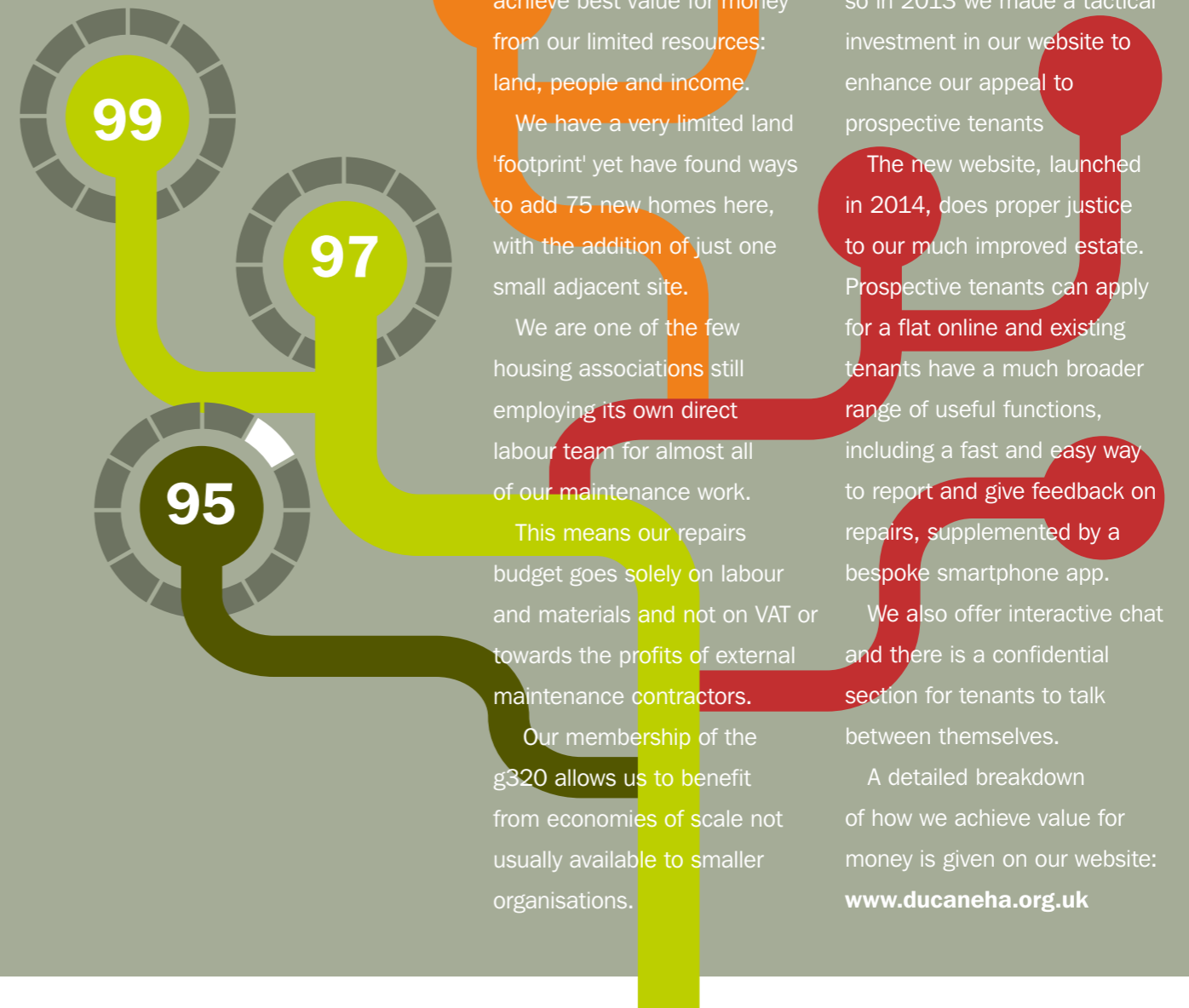
Most of our tenants would also consider renting privately so in 2013 we made a tactical investment in our website to enhance our appeal to prospective tenants

The new website, launched in 2014, does proper justice to our much improved estate. Prospective tenants can apply for a flat online and existing tenants have a much broader range of useful functions, including a fast and easy way to report and give feedback on repairs, supplemented by a bespoke smartphone app.

We also offer interactive chat and there is a confidential section for tenants to talk between themselves.

A detailed breakdown of how we achieve value for money is given on our website:

www.ducaneha.org.uk





Dr Huifang Xu, research associate at the Molecular Medicine for National Heart and Lung Institute

“Life is very simple and dynamic in London and I very much enjoy living here. My husband speaks very good English and is also a fellow research assistant.

We are trying to get my son Erik interested in the same things. Living with Ducane we can sometimes take him across the road to the research lab. It makes Erik happy as he likes to be the centre of attention!

I have made lots of friends with the other tenants and have stayed in touch with a tenant who left in 2012 to carry on her research back in Portugal. She has progressed very well since leaving the UK and it is nice to continue the friendship.

Most repairs and all gardening tasks are done by our in-house team



100%		↓ Repairs team finish job on first call out		Percentage of budget spent on repairs
↑ Ducane homes issued with a gas safety certificate		99.8%		4.17%
Repairs completed within target time				g320 median spend as % of budget
Emergency	Urgent	Routine		
100%	100%	99.7%		24.34%
Target time for completing repairs				Tenants who say rent and service charge = good value for money
Ducane HA	2 hours	g320 times	24 hours	
	1 day	g320 times	2 - 7 days	Ducane HA
	2 days	g320 times	10 - 31 days	91.6%
25.8% cut over five years of weekly cost of repairs asked for by tenants per home				
2013	2008			
£11.29	£15.22			

efficiency

Plans are in hand to add to our property database the findings of last year's stock condition survey, undertaken to let us cost and plan longer term improvements.

Our database serves as a checklist and prompt for the planned maintenance of every property 25 years in advance.

We are now at the stage of being able to calculate the returns on our three-year, £12m investment in the Ducane estate.

We upgraded 112 flats and added another 44 by building upwards and infilling space between two blocks.

All flats have well insulated glazing and the new build flats are served by air source heat pumps. Internally they have new kitchens, bathrooms, floor coverings and soft furnishings.

Household running costs for tenants are significantly lower, all flats now exceed the Decent Homes standard and the buildings look spectacular – a far cry from their past appearance.

We are extending our footprint at one end of the estate, building Dorothy Hodgkin House on remediated land that previously housed a garage and on a stretch of our own land that previously served as a buffer between this site and our homes.

Just one building remains to be modernised. Vellacott House, built in the late 1980s, is now undergoing a rolling programme of improvements.

Shared kitchens on each floor are getting a makeover and each of the en suite study rooms will be given new furniture and soft furnishings.

All our plans for investment are very carefully costed and scrutinised, with borrowing kept within prudent limits.

We employ consultants to advise us on the process and progress of upgrades and new building and our board development and asset management committee meets regularly to check that work is being done efficiently and within budget.



Our volunteer board members provide checks and balances on our work, subjecting our systems, policies and standards to a high level of scrutiny and expectations.

Each brings to their role specialist expertise relevant to our business. At all times the board aims to have at least one tenant board member.

Board members serve for a maximum of nine years, in keeping with National Housing Federation recommendations.

They meet five times a year to review performance and policy and discuss future strategy and tactics, and for an annual away day.

Individual members tasked with leading aspects of our work

– such as housing services, governance, development, finance and risk assessment – have a more hands-on role.

We give our thanks this year to consultants Altair, who helped recruit to the board four new members.

governance

Peter Redman, 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 services at Southwark and chief executive of ALMO Lambeth Living. Joined 2011.

Simon Devitt, vice chair 2014 -

Freelance consultant advising on property management, development and affordable housing for local authorities, registered housing providers and property developers. Joined 2014.

Rod Constanti, vice chair to 2014

Development consultant and former head of regional development at East Thames Housing Group. Served 2005/14.

Angela Epps

Former director of development and strategic asset management at Metropolitan Housing Partnership. **Lead on development 2014.** Joined 2014

Malcolm Holloway

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

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 member

Research fellow and specialist registrar in cellular pathology at Hammersmith Hospital Imperial College. Joined 2014

Michael Roberts

Retired investment banker. Lead on finance 2013. Served 2005/14.

Alexandra Theaker

Head of Network/Winmark. Expertise in marketing, customer service, managing relationships and business development, particularly for social housing. **Lead on customer service 2014.** Joined 2014

Shani Mashhood

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

Eugenie White

Director 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.

accounts

DUCANE GROUP	2013	2012	DUCANE HA	2013	2012
	£	£	£	£	£

INCOME AND EXPENDITURE FOR YEAR ENDED 31 DECEMBER 2013

Turnover	1,995,084	1,349,637	1,989,929	1,346,394
Operating costs	(1,016,476)	(833,694)	(1,011,321)	(830,451)
Operating surplus	978,608	515,943	978,608	515,943
Interest receivable and other income	3,317	4,744	3,317	4,744
Interest payable and similar charges	(248,374)	(154,386)	(248,374)	(154,386)
Surplus for the year on ordinary activities	733,551	366,301	733,551	366,301

BALANCE SHEET AS AT 31 DECEMBER 2013

Fixed assets				
Housing properties – depreciated cost	21,562,293	20,094,873	21,562,293	20,094,873
Less: social housing and other grants	(7,031,867)	(6,336,867)	(7,031,867)	(6,336,867)
	14,530,426	13,758,006	14,530,426	13,758,006
Office premises	407,044	412,925	407,044	412,925
Other fixed assets	389,089	416,978	389,089	416,945
Investment in subsidiary	-	-	1	1
	15,326,559	14,587,909	15,326,560	14,587,877
Current assets				
Debtors: amounts receivable within one year	70,684	57,922	90,536	82,198
Cash at bank and in hand	573,489	494,241	552,220	469,173
	644,173	552,163	642,756	551,371
Less creditors				
Amounts falling due within one year	(1,115,680)	(1,428,310)	(1,114,264)	(1,427,486)
Net current assets/(liabilities)	(471,507)	(876,147)	(471,508)	(876,115)
Total assets less current liabilities	14,855,052	13,711,762	14,855,052	13,711,762
Creditors				
Amounts falling due after more than one year	6,443,197	6,033,452	6,443,197	6,033,452
Capital and reserves				
Called-up share capital	12	18	12	18
General reserves	8,411,843	7,678,292	8,411,843	7,678,292
	14,855,052	13,711,762	14,855,052	13,711,762

Registered office

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Ducane HA is registered under the Industrial & Provident Societies Act 1965 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 Hamlin
3 Bunhill Row
London EC1Y 8LP



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with Ducane forever!

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We only moved in three months ago
and feel we know everyone already.

My wife was very scared before
we came to the UK, worried about
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cultures. However she enjoys the
social life and has even helped
introduce new tenants to the
nearby shops and markets.

When I go back to Malaysia I
have to adapt this knowledge to
teach my students back home.

I have made lots of friends here and
have stayed in touch with another
tenant who left in 2012 to carry on
her research back in Portugal.